PSP
Build to Last

BUILDING FOR INDIA

How our company is embracing the challenges of scale, scope and sophistication to build national landmarks

PSP PROJECTS LIMITED
ANNUAL REPORT 2021-22

Forward-looking statement
In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties, and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether because of new information, future events or otherwise.

CONTENTS

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Prahaladbhai S. Patel
Chairman, Managing Director & CEO
DIN: 00037633

Ms. Pooja P. Patel
Whole Time Director
DIN: 07168083

Mr. Sagar P. Patel
Executive Director
DIN: 07168126

Mr. Sandeep H. Shah
Independent Director
DIN: 00807162

Mr. Vasishtha P. Patel
Independent Director
DIN: 00808127

Mrs. Achala M. Patel
Independent Director
DIN: 00914990

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Kenan S. Patel

CHIEF FINANCIAL OFFICER

Mrs. Hetal Y. Patel

BOARD COMMITTEES

AUDIT COMMITTEE

Mr. Vasishtha P. Patel
Chairman

Mr. Sandeep H. Shah

Mrs. Achala M. Patel

Mr. Prahaladbhai S. Patel

NOMINATION AND REMUNERATION COMMITTEE

Mrs. Achala M. Patel
Chairperson

Mr. Vasishtha P. Patel

Mr. Sandeep H. Shah

STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. Vasishtha P. Patel
Chairman

Mr. Sagar P. Patel

Ms. Pooja P. Patel

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Sandeep H. Shah
Chairman

Mr. Prahaladbhai S. Patel

Ms. Pooja P. Patel

RISK MANAGEMENT COMMITTEE

Mr. Prahaladbhai S. Patel
Chairman

Mr. Sagar P. Patel

Mr. Vasishtha P. Patel

JOINT STATUTORY AUDITORS

Kantilal Patel & Co.
Chartered Accountants, Ahmedabad
FRN: 104744W

Riddhi P. Sheth & Co.
Chartered Accountants, Ahmedabad
FRN: 140190W

SECRETARIAL AUDITOR

Chirag Shah & Associates
Practicing Company Secretaries, Ahmedabad
COP: 3498

INTERNAL AUDITOR

Manubhai & Shah LLP
Chartered Accountants, Ahmedabad
LLP Identification No.: AAG-0878

COST AUDITOR

K V M & Co.
Cost Accountants, Ahmedabad
FRN: 000458

BANKERS

State Bank of India

The Kalupur Commercial Co-operative Bank Limited

Kotak Mahindra Bank Limited

ICICI Bank Limited

Axis Bank Limited

YES Bank Limited

IDFC First Bank Limited

IndusInd Bank Limited

HDFC Bank Limited

DCB Bank Limited

REGISTERED OFFICE

PSP Projects Limited
'PSP House', Opp. Celesta Courtyard,
Opp. Lane of Vikramnagar Colony,
Iscon-Ambli Road,
Ahmedabad – 380058
Tel: 079-26936200/+91-9512044646
Email: grievance@pspprojects.com
Website: www.pspprojects.com
CIN: L45201GJ2008PLC054868

REGISTRAR AND TRANSFER AGENT

KFin Technologies Limited
Selenium Tower B, Plot Nos. 31-32,
Financial District, Nanakramguda,
Serilingampally Mandal,
Hyderabad – 500032
Tel: 040-67161517, 1-800-309-4001
Website: www.kfintech.com
Email: einward.ris@kfintech.com

THE BIG NUMBERS AT PSP PROJECTS LIMITED

14
Years of experience

43
Projects under execution (As on March 31, 2022)

4,324
₹ Crore, Order book (As on March 31, 2022)

1,74,876
₹ Lakhs, Standalone turnover (as on March 31, 2022)

16,240
₹ Lakhs, Standalone net profit (as on March 31, 2022) (Before OCI)

92
%, Order book comprising EPC & turnkey projects

183
Projects completed till March 31, 2022

62.62
%, Order book from markets other than Gujarat (as on March 31, 2022)

1,345
Number of employees (As on March 31, 2022)

1,850
₹ Crore, Largest order received (for SDB Diamond Bourse)

23,826
₹ Lakhs, Investment in plant & machinery (As on March 31, 2022)

25,651
₹ Lakhs, EBITDA (as on March 31, 2022)

At PSP Projects, we are not engaged in the construction of projects with the narrow perspective of enhancing our turnover and becoming a larger company.

We are engaged in the larger exercise of helping build a new India marked by world-class structures that are completed quicker than ever, better than ever and with a moderate lifecycle impact.

This approach has been directed to strengthen India's respect in the global community of nations.

BUILDING FOR INDIA

WHO WE ARE

WHAT WE BUILD

VISION

To be recognised as the leading construction company in the areas we operate, through our performance, our people and commitment to our core values.

To become the preferred construction company in the infrastructure industry.

MISSION

'Build to last'

We want to build high quality and innovative infrastructures for our customers. We also want to provide our customers outstanding performance in terms of excellent projects' execution and fast delivery and to adequately promote those who invest creative ideas in our company and demonstrate dedication to our company.

Pedigree

Being headquartered in Ahmedabad, PSP Projects Limited ('PSP') was established in 2008. The company is considered among the leading and fastest growing EPC companies in India today. The Company is a multidisciplinary construction organisation offering a diversified range of construction and allied services across industrial, institutional, commercial and residential, hotels and hospitality, hospitals and marquee government projects in India. The company has worked for 150+ private and public customers across India.

Promoters and management

PSP came into existence in 2008. The company was promoted by Mr. Prahaladbhai S. Patel (Chairman, Managing Director and CEO), engaged in the construction business for more than 30 years. Mr. Patel had been engaged in the business of civil construction through a proprietorship firm whose business was taken over by PSP in 2009. Mr. Patel has been responsible for the company's vision, business development, technical expertise, industry knowledge and customer relationships. He is assisted by a senior management team comprising qualified, experienced and skilled professionals with a rich multi-sectorial experience.

Mr. Patel was honoured with Hercules Awards by Gujarat Innovation Society (GIC) in 2017 for his innovative contribution to the construction sector.

He was awarded the 2018 Most Respected Entrepreneur Award in Construction by Hurun Report India for creating an innovative construction company.

He was felicitated as CXO of the Year at the 11th Realty+ Conclave & Excellence Awards, 2019 - Gujarat for his contribution to the country's building and construction sector.

He was honoured with Ace Achievers Award by TV9 Gujarat in 2019.

He was awarded as Times Inspiring Entrepreneur Award 2020 for being the fastest growing construction company of the year. He was felicitated as 'Patidar Udhyog Ratna' in Global Patidar Business Summit 2020 and 2022.

Experience

PSP has developed capabilities across project stages - business development, tendering, engineering and design, procurement, construction, MEP services, operations and maintenance. This has widened the company's expertise in addressing projects across categories: manufacturing and processing facilities, hospitals, government buildings, educational institutes, religious landmarks, corporate offices, residential buildings, social and urban infrastructure as well as Smart Cities.

Customers

PSP has worked with marquee national and international customers. By the close of the year under review, the company had worked with more than 150 customers across 226 projects.

Projects

The company undertakes construction projects across the following categories: industrial, institutional, government, government residential, precast and residential projects.

Employees

The company possesses a range of competencies - engineering, finance, construction, legal, managerial, procurement, information technology, EHS, HR and administration and others. The company comprised 1,345 employees with an average age of 32 years as on March 31, 2022.

Year	Employees	Contractual labourers*
2021-22	1,345	18,000
2020-21	1,223	17,000

* Approximate

Services

Our end-to-end solutions include civil construction, building renovation, MEP services and interior fitouts. These solutions ride a culture of financial discipline, multi-vertical presence, large captive equipment base and cutting-edge technologies.

Projects in progress

The company was engaged in 43 projects with an aggregate value of ₹4,324 Crore as on March 31, 2022. These projects were addressed through captive and collaborative capabilities.

Our certifications

ISO 9001:2015

ISO 14001:2015

ISO 45001:2018

Our credit rating

- CARE A+; Stable for our Long-term bank facilities
- Stable/CARE A1+ for our Long-term/Short-term bank facilities

Our credible registrations

- Enlisted in Class-l (Super) Building category of CPWD
- Approved Class AA contractor by Government of Gujarat
- Approved Special Category 1 Buildings contractor by Government of Gujarat
- Approved Class AA contractor by Ahmedabad Municipal Corporation
- Approved Electrical Installation contractor by the Government of Gujarat
- Approved Class A Electrical Contractor by Government of Gujarat

Our listing

The company made a public issue of equity shares at ₹210 per share in May 2017. The issue was subscribed 8.49 times. The company was valued at ₹1,931.40 Crore as on March 31, 2022. The company's shares reported a 26% appreciation in FY 2021-22. The promoter held a 70.20% stake in the company as on March 31, 2022.

OUR PROJECTS PORTFOLIO

Nestle Factory, Sanand

Industrial projects

Our industrial projects primarily involve the construction of industrial buildings for pharmaceutical plants, food processing units, engineering units and manufacturing and processing facilities.

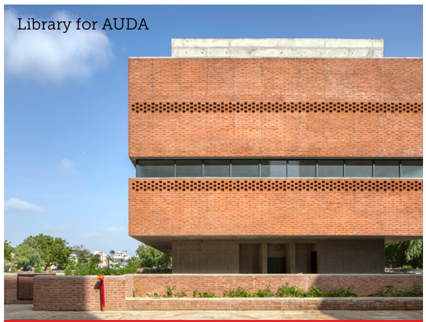
Projects completed: 62

Student Activity Center

Institutional projects

Our institutional projects typically involve the construction of buildings for hospitals and healthcare services, educational institutes, malls, hospitality services and corporate offices.

Projects completed: 78



Library for AUDA

Government projects

We focus on undertaking select government projects that are challenging and prestigious in nature.

Projects completed: 25

Affordable Housing at Allahabad

Government residential projects

We have executed, or are currently executing, prestigious government residential projects

Projects completed: 3

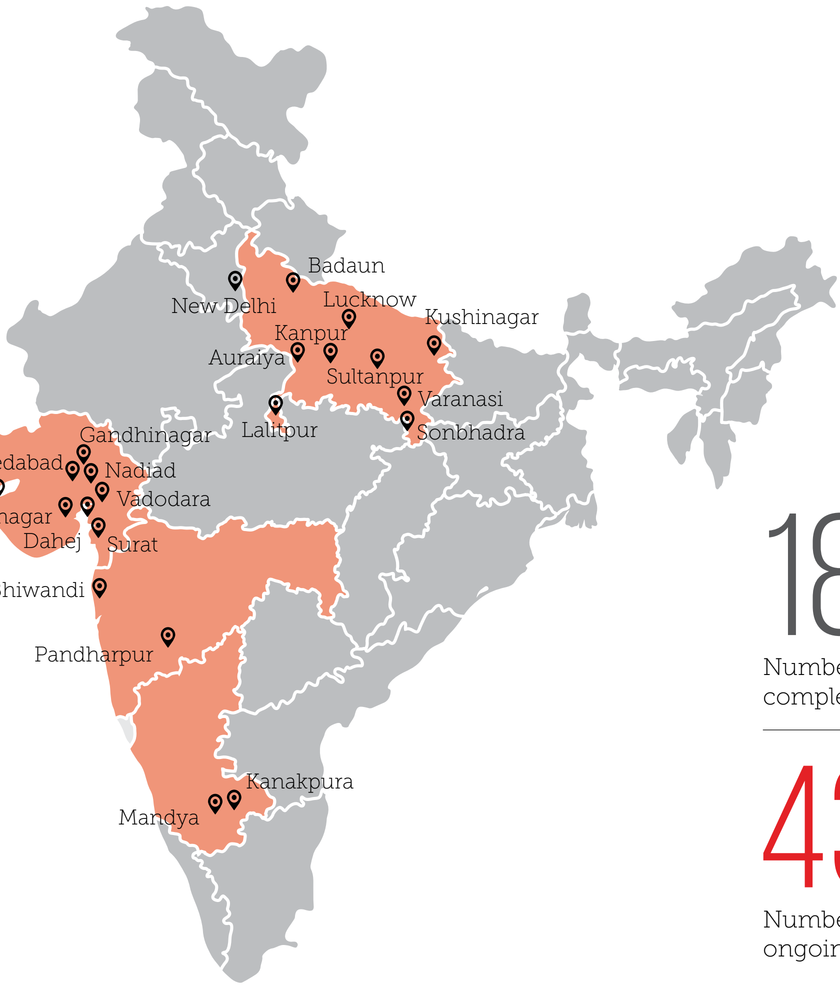
bSafal Seventy

Residential projects

Residential projects typically involve the construction of buildings for group housing and townships, as well as independent residences for select private customers.

Projects completed: 15

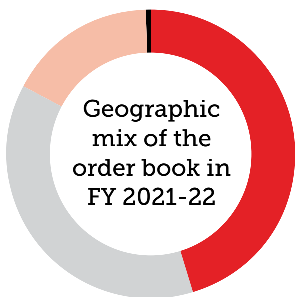
OUR PAN-INDIA FOOTPRINT



183
Number of projects completed

43
Number of projects ongoing

- 62.83%, Institutional projects
- 26.82%, Government projects
- 7.84%, Industrial projects
- 2.43%, Residential projects
- 0.08%, Government residential projects



- 45.41%, Uttar Pradesh
- 37.38%, Gujarat
- 16.85%, Maharashtra
- 0.36%, Rajasthan

Note: 63% of the order book was from outside Gujarat as on March 31, 2022

HOW PSP HAS BEEN AWARDED AND RECOGNISED DOWN THE YEARS

PSP has received various awards in recognition of its contribution to India's construction sector

2016

The Company was awarded Outstanding Performance in Managing Health, Safety and Environment (45th National Safety Week Celebrations 2016) by Godrej Properties Limited.

The Company was awarded Excellent Contractor of the Year 2016 by Gujarat Contractor Association during Gujarat Contractor Summit 2016 in Ahmedabad.

The Company's turnkey affordable housing project for Gujarat Housing Board, Transport node, Ahmedabad, was awarded Affordable Housing Project of the Year Award by Realty Plus Excellence Awards (Gujarat) 2016.

2017

The Company was awarded The Most Admired Multidisciplinary Construction Company of the Year (Gujarat) by The Rising Leadership Awards 2017

The Company was honoured with Quality Mark Awards 2017 (Building & Construction Category) by Quality Mark Trust

2018

The Company was felicitated as India's Top Challengers of 2017-18 at the 16th Construction World Global Awards, 2018 in New Delhi

2019

The Company was felicitated with the Gujarat Growth Ambassador Award for its Outstanding Performance in the Construction Industry by Confederation of Real Estate Developers Association of India (CREDAI) at the Gujarat Growth Ambassadors Summit 2019.

The Company emerged as the Second Fastest Growing Construction Company in the Small Category in India and felicitated as one of India's Top Challengers 2018-19 for the second time in a row at the 17th Construction World Global Awards 2019 in New Delhi.

The Company was recognised as an Ace Achiever for making a difference at the TV9 Gujarati Ace Achievers Award 2019 in Ahmedabad, Gujarat.

2020

The Company emerged as the second fastest growing construction company in India in the Small Category for the second consecutive year and felicitated as one of India's Top Challengers of 2019-20 for the third time in a row at the 18th Construction World Global Awards, 2020

2021

The Company's Project Zydus Sitapur Hospital (a CSR Project by Maruti Suzuki Foundation) was felicitated as 'Institutional Project of the Year' at the 13th Realty Plus Conclave & Excellence Awards 2021-Gujarat Edition

The Company was awarded Construction World - Stalwarts of the West, Gujarat at the CW Design Build Conclave & Awards for strengthening the built environment in the State

The Company was awarded the Second Fastest Growing Construction Company (below ₹2000 Crore category) for the third year in a row at the 19th Construction World Global Awards 2021

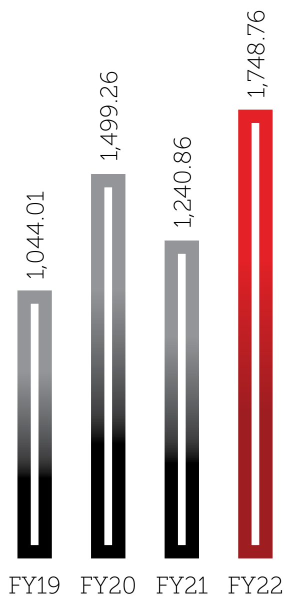
2022

The Company's Project Student Activity Centre at Ahmedabad University was felicitated as Institutional Project of the Year at the 14th Realty Plus Conclave & Excellence Awards 2022, Gujarat

HOW WE HAVE GROWN OVER THE YEARS

Higher revenues

(₹ in Crore)



CAGR 18.76%

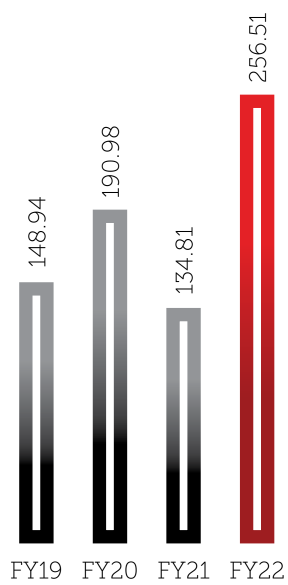
Definition
Sales growth without deducting taxes.

Why we measure
This measure reflects the result of our ability to understand market trends and service customers with corresponding project completion, quality, timeliness, technology and supply chain management.

Performance
Our aggregate revenues increased by 40.93% to ₹1,748.76 Crore in FY 22, which compared favourably with the growth of the sector in India during the year.

EBITDA

(₹ in Crore)



CAGR 19.86%

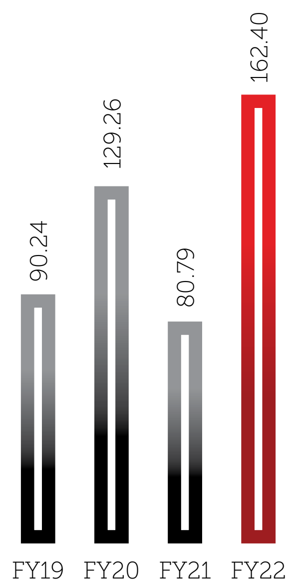
Definition
Earnings before the deduction of fixed expenses (interest, depreciation, extraordinary items and tax).

Why we measure
It is an index that showcases the company's ability to maximise revenues and optimise operating costs, a basis for ascertaining operating profitability.

Performance
The company reported a 90.27% increase in its EBIDTA in FY 22, an outcome of improved operational efficiency.

Profit after tax (before OCI*)

(₹ in Crore)



CAGR 21.64%

Definition
Profit earned during the year after deducting all expenses and provisions.

Why we measure
It highlights the strength of the business model in generating value for its shareholders.

Performance
The company reported a 101.02% increase in net profit in FY 22, reflecting the robustness of the business model in growing shareholder value despite challenges.

**Other comprehensive incomes*

EBITDA margin

(%)

+ 381 bps

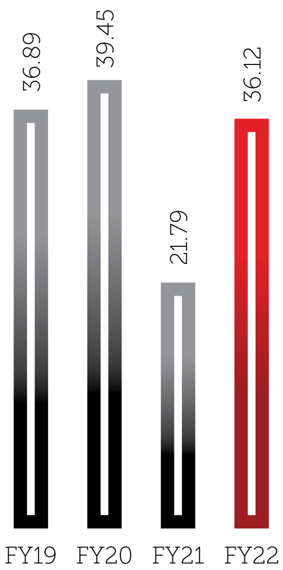
Definition
EBIDTA margin is a profitability ratio to measure a company's pricing strategy and operating efficiency – the higher the operating margin, the better for the company.

Why we measure
The EBIDTA margin provides an idea of how much a company earns (before accounting for interest and taxes) on each rupee of revenue.

Performance
The company reported a 381 bps increase in EBIDTA margin in FY 22, the result of an enriched projects basket with improved operating efficiency

ROCE

(%)



+1433 bps

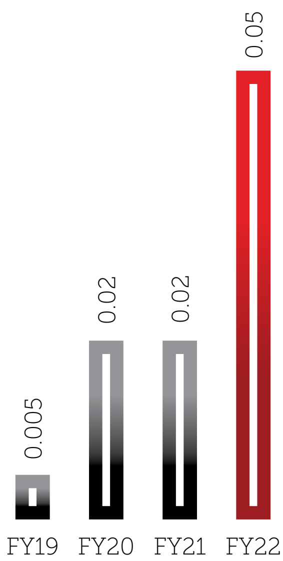
Definition
It is a financial ratio that measures a company's profitability and the efficiency with which its average capital is employed in the business.

Why we measure
ROCE is a useful metric for comparing profitability across companies based on the amount of capital they use - especially in the capital-intensive sectors.

Performance
The company reported a 1433 bps increase in ROCE in FY 22 – a showcase of prudently investing every rupee in profitable spaces that generate higher returns.

Gearing

(x)



+2.52 bps

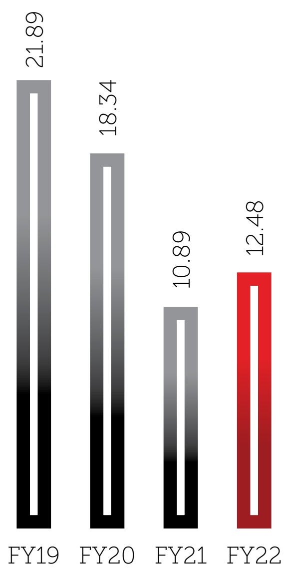
Definition
This is derived through the ratio of long-term debt, including current maturities to net worth (less revaluation reserves).

Why we measure
This is one of the defining measures of a company's financial health, indicating the ability of the company to remunerate shareholders over debt providers (the lower the gearing the better).

Performance
The company's gearing increased in FY 22 compared to the previous three years due to an increase in long-term debt/borrowing.

Interest coverage

(x)



+159 bps

Definition
This is derived through the division of EBIT by interest outflow.

Why we measure
Interest cover indicates the company's comfort in servicing interest, the higher the better.

Performance
The company strengthened its interest cover from 10.89 in FY 21 to 12.48 in FY 22.

PROMINENT PROJECTS COMPLETED IN 2021-22

During the year under review, the company completed 17 projects (prominent projects given below).

Project	Customer
Noodle Factory Project, Gujarat	Nestle India Ltd.
Hospital Project, Udaipur Rajasthan	Uttar Pradesh Rajkiya Nirman Nigam Limited
Interior fit-outs for 300 rooms	Leela Hotel, Gandhinagar
Hospital	Zydus Cadila, Vadodara
AUDA Library, Ahmedabad	Ahmedabad Urban Development Authority


Nestle Plant, Sanand


Hotel Leela, Gandhinagar


Library Building, AUDA


Zydus Hospital, Baroda

ROBUST ORDER BOOK

The Company was engaged in 43 projects with an aggregate value of ₹4,324 Crore as on March 31, 2022.

Project	Customer	Total contract value (₹ in Crore)	Outstanding contract value (₹ in Crore)
Medical college and hospitals at 7 locations	Public Works Department	1,491	1,343
EWS housing project	Municipal corporation	601	601
Sports Complex	Municipal corporation	504	504
Residential project	Adani Estate Management Pvt. Ltd.	499	423
IIM, Ahmedabad	Indian Institute of Management	328	106
Construction of a steel plant	Private company	257	210
Residential Buildings of PAC Mahila Battalion at Badaun, Uttar Pradesh	Public Works Department	239	239
EWS housing project	Municipal corporation	158	126

Medical College & Hospital, UP

Medical College & Hospital, UP

OUR MARQUEE CUSTOMERS

The Company has worked with some of the most demanding and prominent customers in India, a validation of its professional approach related to processes and practices.

SDB Diamond Bourse	Reliance Industries	Adani Group	Nestle	Zydus Cadila
Torrent Pharmaceuticals	IIM – Ahmedabad	MRF	Maruti Suzuki Foundation	The Gujarat Cancer Society, Ahmedabad
Dharmsinh Desai University	Ahmedabad University	Pandit Deendayal Petroleum University	Brigade Group	Prestige Group
CEPT University	B Safal Group	Intas Pharmaceuticals Ltd, Ahmedabad	Claris Injectables Limited, Ahmedabad	Nirma Group

PERSPECTIVES AND INSIGHTS

Prahaladbhai S. Patel,
Chairman

CHAIRMAN'S OVERVIEW

PSP IS AT THE RIGHT PLACE AT THE RIGHT TIME WITH THE RIGHT TECHNOLOGY IN THE RIGHT COUNTRY

Overview

The big message that I wish to communicate is that the Company exceeded its revenue guidance in FY 2021-22.

The Company exceeded this guidance by reporting revenues of ₹1,748.76 Crore, whuch was not only higher than the guidance provided but also 40.93% higher than the revenues of the previous financial year. The revenue was 16.64% higher than the pre-pandemic revenue of ₹1,499.26 Crore and 16.64% higher than the previous high.

The revenue growth of 40.93% over the previous year also compared favourably with the construction sector's recorded growth of 17.1% and the national GDP growth of around 8.7% during the last financial year.

(Source: businesswire.com)

Organisational maturing

The principal reason for the Company's outperformance was organisational maturing. A few years ago, the Company recognised the need to graduate from a mere construction replicator of designs provided by its clients. PSP could have remained an efficient replicator; the Company conclude from its construction experience that in many cases the built outcomes could have been better had the design been improved. This observation extended the Company one critical step backward to design in its value chain.

The other reason for the Company performing better than its retrospective or sectorial performance was its graduation towards turnkey/ EPC contracts. The ability to reconcile design and construction challenges at a single table enhanced our capacity in designing what could be constructed and utilising our construction experience to influence design. This integrated approach was responsible for a design cum construction proposition that was quicker and more economical than the industry standard – the basis of our business sustainability.

We are pleased to report the positive outcomes of this turnkey/EPC-driven approach. We delivered the challenging Surat Diamond Bourse within 47 months against a general expectation that this would have taken longer; we delivered the complex Kashi Vishwanath Corridor at Varanasi project with a minor overrun of 20 months against the initially estimated 18 months. Both these projects were delivered during the pandemic, marked by disrupted labour mobilisation, work-from-home and social distancing.

At PSP, we interpret the completion of larger ticket projects, completion of the largest number of projects, generation of the highest EPC and turnkey projects during the last financial and the highest proportion of revenues from turnkey & EPC projects (80% in FY 2021-22) as an index of our growing competence and emergence as a successful mid-sized construction company.

Planned approach

The Company's revenue outperformance (cascading down the line into improvements across the board) was a validation of a planned approach.

One, the Company had articulated the need to graduate from just a construction Company into an institution, warranting the need for different projects. The Company responded with an strategic business unit (SBU)-like approach where each project head was empowered to act as if he or she 'owned' that part of the Company and was expected to deliver the project on schedule without compromising quality and safety. The performance of the Company during the last financial year represented a successful validation of this modular approach, resulting in an adequate control of project progress, cost management and profitability. By building profitability into the business from the ground level upwards, we have created a scalable model: the implementation at the ground level will be devoted to monitoring and reporting at the senior level, combining project implementation with checks and balances. This combination represents the core of our governance and the extension of the concept of one promoter-entrepreneur to several high-achieving 'intrapreneurs'.

Two, we strengthened our process responsiveness. The construction sector is essentially one of uncertainties. Success in this space is derived from the capacity to address unforeseens with speed and effectiveness. What we demonstrated successfully during the last financial year was the ability to observe mistakes, document them, address them through superior processes, extend these processes across the organisation and keep evolving our standard operating protocol. This capacity to learn on-the-go and respond with a flexible workflow made it possible to address challenges with responsibility and responsiveness.

Three, the Company deepened digitalisation during the last financial year. There is a wider acceptance that we are technology driven construction company as the visible manifestation, as opposed to being engaged in a construction business with a moderate technology component. Here again, the role of technology moderated deviations from the established mean, strengthened controls and reinforced cost management. The combination of SOP and SAP established an operating discipline, making it possible to procure efficiently and build effectively.

PSP Precast: The Gamechanger

The biggest transformation in our business model was a forward-looking investment in pre-cast technology. This technology represents the future of the Indian construction sector. By the virtue of its speed to invest in this technology even as the pandemic is not completely over, PSP capitalised on a timely opportunity window.

PSP made a long-term investment in this technology to graduate from the deployment of manual labour to the precast equivalent. This represents a watershed in the company's existence, graduating it from the legacy to the modern. PSP commissioned its pre-cast technology factory in December 2021. The upside will not only comprise an attractive labour arbitrage; the upside will come from standardised construction, construction consistency, first-time right construction and quicker construction. The complement of these realities is expected to transform the competitiveness of India's construction sector, leading it from the legacy to the futuristic.

At a time when India seeks to enhance its global competitiveness, the pre-cast technology could play a crucial role in getting companies faster into production. Besides, the pre-cast business is working capital-negative; we are engaged in expanding manufacturing capacity during the current financial year even before having achieved a high-capacity utilisation. Going ahead, we do not just intend to merely provide a pre-cast technology service; we intend to do more. We intend to build adequate capacity and democratise the use of pre-cast technology, addressing a critical national need.

A new PSP

The ferment of these realities is that a new PSP is emerging.

This new PSP is being recognised as one of the most passionate and frontier-enhancing companies in India's construction sector.

This new PSP embraces complex projects; the more complex and challenging the better.

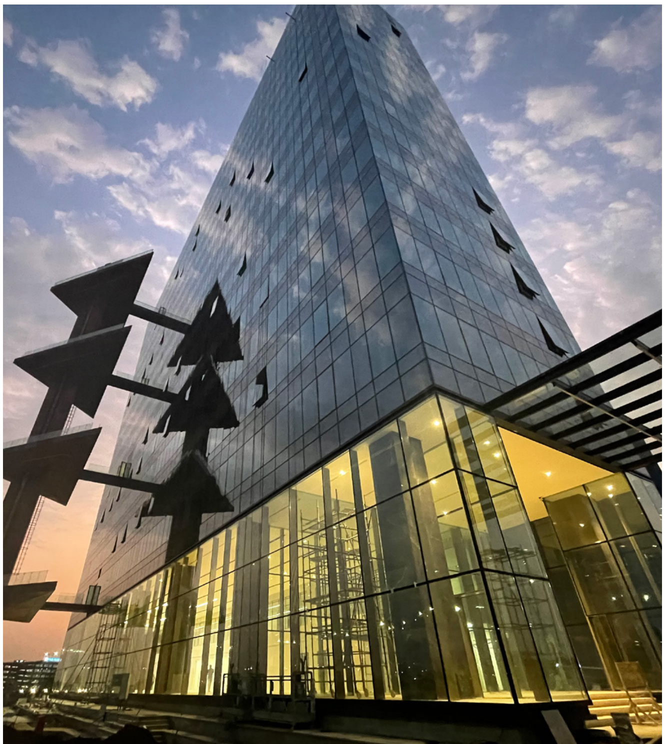
This new PSP embraces size and focuses on exceeding expectations.

This new PSP is comfortable working on concurrent projects across locations, having created multiple revenue engines.

This new PSP is comfortable working outside Gujarat; during the year under review, the Company generated 25.22% of revenues and 62.62% of its order book from non-Gujarat projects.

This new PSP is a pan-India construction player; it addressed 10 projects in Uttar Pradesh during the

Surat Diamond Bourse



BSE Brokers Forum, GIFT City

Kashi Vishvanath Corridor Beautification, Varanasi last financial year; it had a presence in Maharashtra with two projects in addition to projects in Rajasthan, Karnataka and New Delhi.

This new PSP is process driven; decisions that need to be taken on the ground across sites are addressed and resolved by the project head, making response times quicker and more informed.

This new PSP is more technology-agnostic than ever; the Company will graduate to the next generation of technology across diverse functions, resulting in quicker, lower cost and higher quality outcomes.

This new PSP is focused on bidding for larger projects with a higher profitability hurdle rate, resulting in a larger profit inflow per project, justifying investments in people and equipment.

This new PSP is open to making sizable investments in new technologies with a multi-year payback, especially if this investment will deepen the Company's respect as a thought leader.

This new PSP is empowered and pre-qualified to bid for projects up to ₹2000-2500 Crore in its own name, strengthening its capacity to address large pan-India projects.

Growing relevance

PSP is the right company at the right time with the right technology and in the right place.

India is emerging as one of the most exciting global economic stories. The country's GDP of around USD 3 Trillion is expected to grow to an estimated USD 5 Trillion by the later part of this decade. This indicates that the growth achieved by the country across the last century is now expected to be replicated within the coming decade.

One of the features of this projected outperformance will be reflected in a distinctive vision to grow larger and faster.

A new India is emerging even as we speak: the large government projects of the Eighties are being redeveloped for larger size and different scope; the operative direction for these redevelopment projects comprises an adaptation for climate change and earthquake resistance; this will warrant the re-appraisal of legacy construction through modern-day construction perspectives; this will emphasise the role of fatigue-resistant construction that extends the life of these buildings across decades.

Besides, new infrastructure coming up is no longer benchmarked around local or Indian standards; there is clearly an emerging global standard. The Bullet Train from Ahmedabad to Mumbai is the most ambitious rail project undertaken in the country's existence; the Central Vista in New Delhi is the most decisive infrastructure creation for the government in nearly a century; the Jewar airport in National Capital Region is expected to create a new reference point for the aviation infrastructure in the country; Housing for All is the largest housing programme undertaken in the history of India; the complement of new airports being proposed is the largest such programme undertaken in independent India; the Delhi-Mumbai Industrial Corridor is likely to redefine the logistics sector in the country; the commissioning of 100 Smart Cities is likely to create the foundation of a modern India; the expansion of the IIM and IIT institutions is expected to lead India into the future.

This disproportionate growth will need to be midwifed by India's construction sector. The better the build, the faster it is created and the lower the cost could catalyse economic growth. More importantly, it will provide India with a competitive cost structure on which to build for the decades.

Corporate social responsibility

PSP believes that CSR activities are not mere charity or donations, they reflect the manner in which the business is conducted by directly focusing on the needs of society at large. We are a socially responsible entity not limited by the use of resources in activities that increase only profits, but rather it evolves appropriate business processes a that to reflect its commitment to societal progress. PSP spent ₹304.32 Lakhs towards promotion of healthcare and education during FY 2021-22.

Outlook

PSP expects to capitalise on its unprecedented growth.

The Company possesses a robust Balance Sheet – debt-equity ratio attractively maintained at 0.15 at the close of FY 2021-22– that makes it possible for the Company to grow profitably and sustainably.

The Company is present in the mid-tier of the construction sector where competition is relatively limited; the Company expects to focus on ₹500 Crore private sector projects and ₹1,000 Crore public sector projects.

The Company expects these realities to drive revenues 20-25% compounded for the next two years, enhancing value for those associated with our Company.

Prahaladbhai S. Patel

Chairman

OUR PRE-CAST TECHNOLOGY EDGE

Lower dependence on manual intervention	PSP suffered a decline in labour availability from 12,000 workers pre-pandemic to 1,250 workers during the lockdown. To hedge unforeseen labour movements, the company invested in the low people-intensive precast technology (most project components manufactured in a factory).
Uninterrupted process	Construction projects encounter obstacles at regular intervals, comprising the monsoons, worker migration during festivals and addressing farm harvests. The precast technology alternative promises uninterrupted factory production, protecting project construction timelines.
Construction timeline	Construction using precast technology can reduce project timelines by 50%, empowering customers to move into revenue mode faster.
Quality assurance	Precast elements are produced through mechanised processes in a controlled environment. Key factors like curing, temperature, mix design, formwork etc. can be monitored in the factory, enhancing quality and moderating onsite defects
Safety	As the core structure is factory-manufactured, it reduces risks arising out of unsafe on-site working conditions
Aesthetics	Precast technology enhances a flexibility in combining colours and textures; even the form finished produced through the precast route is more attractive than the conventional alternative.

PSP'S SUCCESSION PLANNING...

Sagar Patel
Executive Director, 26 years

His perspective

"Precast construction technology represents the future, and my overarching responsibility is to implement it across our projects, increase efficiency and deliver on time, taking our corporate brand ahead for quality and speed."

Pooja Patel
Executive and Whole-time Director, 29 years

Her perspective

"After I married in 2017, I worked on SDB project for 2 years in Surat and was involved in its planning, procurement and execution. I now work in the Head office at Ahmedabad, looking after procurement, processes and billing. Being a part of the second generation, there is a priority to take the company to the next level."

...INTEGRAL TO GOVERNANCE.

Experience: Graduated as a Civil Engineer from Gujarat Technological University in 2018; joined PSP as an Assistant Engineer deployed on the Surat Diamond Bourse project; has been associated with the project since 2018.

Involvement: Was engaged in the construction of Surat Diamond Bourse, addressing a range of on-site processes and challenges. Was engaged in working on one tower (out of nine), reporting daily to the Vice President on process speed and workflow productivity, which helped course-correct. Helped plan and implement SOPs following the lifting of the pandemic lockdown using site experience. Oversaw the commissioning of the precast plant with responsibilities related to tendering, planning, processing and execution.

Roles: Addresses the working of the precast business; oversees the billing process at the head office (including quarterly financial reconciliation statement for each operational site); responsibility comprises data authentication, minimisation of variations from the budget, flagging systemic alerts, mitigating billing data challenges, proactively trouble-shooting based on site reports, visiting projects weekly to oversee process compliance, monitoring marquee project timelines, acting as a 'bridge' between the management and marquee projects with the objective of proactive problem resolution (top-down approach for site problem identification, analysis and resolution).

Objectives: Infuse the latest global technologies into the Indian construction sector (to reduce dependence on labour or technological lags etc.); enhance the role of precast technology and grow PSP into a technology-led construction company.

Board induction and presence: Inducted into the PSP Board as Executive Director in 2019. Functions comprise project planning, tendering, contracts and execution. He is a member of Stakeholder's Relationship Committee and Risk Management Committee.

Experience: Joined PSP as a junior civil engineer after graduation in 2014. Handled different projects onsite from 2014 to 2019. The first project was for Gujarat Housing Board (₹242 Crore, largest bid project of the company at that time) at Narayanpura followed by World Trade Centre in GIFT City.

Worked on the ₹150 Crore Gujarat Vidhan Sabha interiors renovation followed by Surat Diamond Bourse project until 2019. Focused on procurement and processes (planning and billing) at the head office.

Rose through the ranks after engaging in material procurement planning matched with labour availability, which helped PSP create a formal planning department for informed forecasts.

Educational qualifications: Passed all four engineering years with distinction. Holds a Bachelor's degree in Civil Engineering from Gujarat Technological University and Post Graduate Diploma in Financial Management from Ahmedabad Management Association.

Roles: Oversees raw material procurement, sub-contractor dealings and planning for all projects in addition to the management of project billing. Engaged in the planning and procurement of raw materials before project commencement to minimise a labour and raw material mismatch; also engaged in the right computation of labour with the objective to complete projects on schedule.

Objectives: Engaged in monitoring SOPs across departments to control workflow. Also focused on value engineering to ensure that projects are completed within cost and time.

Board induction: Inducted into the PSP Board as an Executive Director in 2015. Presently engaged in project planning, materials procurement and project execution. She is a member of the Stakeholder's Relationship Committee and Corporate Social Committee.

HOW PSP HAS CREATED A FINANCIAL FOUNDATION FOR A MULTI-YEAR VALUE-ACCRETIVE JOURNEY

Hetal Patel, Chief Financial Officer

Overview

PSP continued to secure its financial foundation during the year under review even as it was faced with unprecedented challenges. This foundation comprised low long-term debt, enduring brand, longstanding eco-system relationships, accruals-driven capital expenditure, proactive capital investments and strong working capital management.

The company's performance of FY 2021-22 was creditable on account of a sustained order book growth and increased concurrent projects. This improvement was achieved in the face of challenges (social, political and economic): the pandemic-induced slowdown, commodity inflation, shortage of shipping containers, rise in oil & commodity prices, increased logistics costs and the Ukraine-Russia war. The company's most creditable achievement in the circumstances was that it continued to build its brand and Balance Sheet.

Clarity

The management possesses a strategic financial clarity that is expected to translate into sustainable value-accretive growth. This clarity comprises the following features: complex brand-enhancing projects, protected or improved credit rating, attractively under-borrowed Balance Sheet, balanced accruals/debt-funded capital expenditure, low cost of debt (short-term and long-term), effective project management and projects completion.

Revenue growth and mix

PSP reported profitable growth; revenues grew 40.93%, EBIDTA grew 90.27% and profit after tax strengthened 101.02%. The revenues reported by the company during the year under review were the highest in its existence. The growth in revenues helped amortise fixed costs effectively, strengthening profitability. The proportion of revenues from clients who worked with the company at any time during the preceding five years was 23%.

The non-Gujarat projects accounted for 25.22% of revenues, growing 263% during the year under review to ₹441 Crore; Gujarat projects grew 17% to ₹1,307.76 Crore.

At PSP, the EPC & turnkey business helped enhance value-addition, widen the product basket, extend the service value chain and strengthen the Company's respect as a deadline-respecting construction company. The EPC and turnkey projects accounted for 80% of the Company's revenues during the year under review; the non-EPC and turnkey projects accounted for 20%.

The company generated projects from a mix of customers – government, government residential, industrial, institutional and private sector residential. Even as the institutional projects contribute 62% of revenues in FY 2021-22, we moderated risk of this excessive dependence by working for diverse institutional customers.

Revenue from prominent projects during the year under review:

- Surat Diamond Bourse with a total contract value of ₹1,850 Crore, of which ₹410.17 Crore revenue was booked during the last financial year.
- Kashi Vishwanath Temple with a total contract value of ₹398 Crore, of which ₹271.10 Crore of revenue was booked during the last financial year.

• BSE Forum Building with a total contract value of ₹154.65 Crore, of which ₹64.36 Crore of revenue was booked during the current financial year.

Capital efficiency

At PSP, we aspire to generate a return higher than what our risk partners (shareholders) would generate if they invested in alternative asset classes. The company enjoys a track record of maximising capital efficiency by generating economies of scale (procurement, people and equipment), strengthening margins and accruals.

During the year under review, the Company reported ROCE of 36.12%, which was higher than the interest rate on company's borrowings ranging from 6.65% to 10.10%. The RoCE generated by the business was 1,433 bps higher than in the previous year on account of higher revenues generated per rupee of employed capital, and the ability to pass on resource cost increases.

The company strengthened its EBIDTA margin by 381 bps during the year under review to 14.67%. The improvement was on account of large projects being completed during FY 2021-22. Net profit margin strengthened 267 bps to 9.10%.

Liquidity

At PSP, financial liquidity enhances our capacity to invest in capital expenditure through our earnings, negotiate better with vendors in exchange for immediate payment and showcase our liquidity to attract credible stakeholders. Given a choice between maximising revenues with stretched liquidity and moderate-to-high revenues with enhanced liquidity, the company will select the latter.

The company measures liquidity by debt-equity ratio, interest cover (EBIT divided by interest outflow) and current ratio. Net worth was ₹684.72 Crore and total debt was ₹99.66 Crore as on March 31, 2022 as against ₹537.99 Crore and ₹80.96 Crore respectively as on March 31, 2021. This visible reliance on net worth to debt equity ratio being maintained at 0.15, representing a buffer in volatile market conditions.

Interest cover was 12.48 in FY 2021-22 as against 10.89 in the previous year. The company possessed current assets of ₹819.37 Crore against current liabilities of 563.19 Crore maintaining the current ratio at 1.45, which was fairly comparable with industry standards.

Capital expenditure

At PSP, we were engaged in capital investment for a precast manufacturing plant during FY 2021-22. The Company invested ₹109.11 Crore (32% of its gross block as on March 31, 2022) and by the virtue of this capital expenditure being allocated principally to precast manufacturing assets, the company expects to improve efficiency and backward integration for faster execution of projects. The captive equipment bank to acquire construction equipment and assets catalysed timely project delivery and costs reduction.

Debt moderation

At PSP, debt moderation is integral to long-term profitability. In the past, when the company invested in capital expenditure, it did so largely from accruals and moderate debt. During a challenging FY 2021-22, the company arranged long-term debt of ₹23.67 Crore (tenure from 24 months to 36 months) for the precast project out of a total capex ₹109.11 Crore, the rest being raised through accruals. The Company's debt-equity ratio was maintained at 0.15 in FY 2021-22.

The proportion of undrawn working capital sanctions was 49.28% against a working capital sanction of ₹130 Crore as on March 31, 2022. The extent of undrawn sanction represented a buffer in the face of a growing order book and multi-year growth platform. Only 50.72% of this sanctioned amount had been consumed by the close of the year under review.

Interest outflow to banks and financial institutions increased from ₹6.82 Crore in FY 2019-20 to ₹8.22 Crore in FY 2020-21 to ₹9.11 Crore in FY 2021-22. As an index of the company's treasury management, the interest rate on borrowings was ranging from 6.65% to 10.10% while the company generated an average 26.56% Return on Equity.

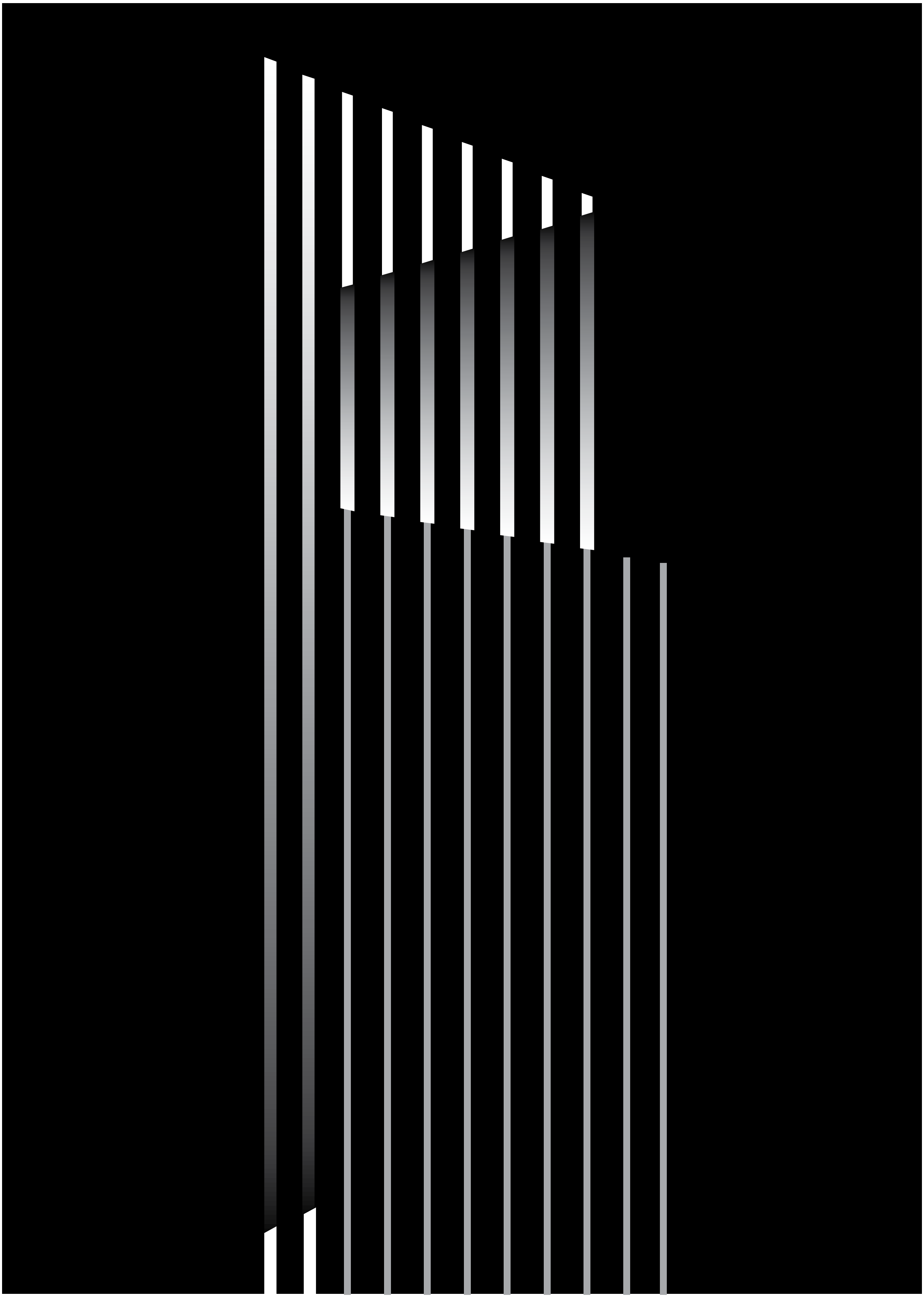
Capital allocation discipline

The company will continue to grow its business through an engagement in projects where designs are approved, increase in equipment ownership, engagement in projects backed by liquid Balance Sheets and monthly bill payments. These approaches are expected to strengthen capital efficiency. Even after the investment of ₹124.11 Crore in gross block during the last financial year, the company possessed liquid resources (cash and cash equivalents plus total limit, fund and non-fund) of ₹1,134.59 Crore.

During the year under review, the company disinvested its international business (INC Company) in the USA where it had invested prior to its IPO. The company selected to divest because it represented a dilution of its managerial bandwidth and did not enhance visibility in the terrain of its presence (India). The disinvestment proceeds were redeployed within the company's business in India.

PASSION AND PRIDE

OF PSP



OUR KEY PROJECTS

ACHIEVED WHAT WAS CONSIDERED IMPOSSIBLE

THE CHALLENGING NESTLE PLANT

Overview

When the Indian subsidiary of one of the largest food companies in the world sought to construct a 72-acre factory at Sanand near Ahmedabad in a little less than two years, it turned to a tested construction company.

It turned to PSP.

What made this project critical was a complement of stipulations laid down by the multi-national customer.

One, working hours per day were specified; labourers could work for a maximum of 72 hours a week, necessitating enhanced manpower deployment and multi-shift engagement.

Two, the timeline was challenging – seven months for completing the reinforced concrete part of the project and 10 months for the entire project – given the precision involved.

Three, PSP was required to work with all appointed contractors, ensuring that the eventual outcome would be on schedule.

Four, during the pandemic waves, there was a marked labour attrition in addition to social distancing norms, moderating productivity.

Five, the work scope progressively expanded, which affected resource planning and procurement.

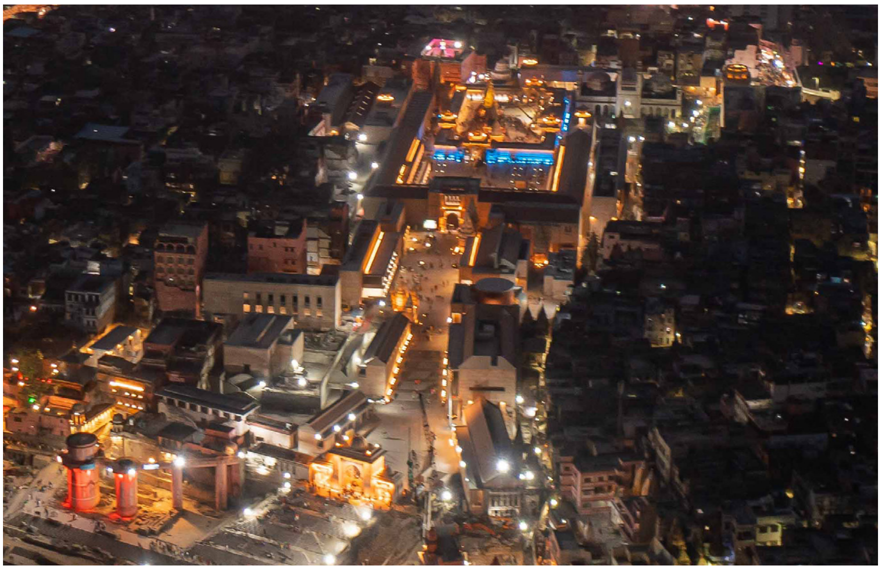
PSP rose to the challenges. The company mobilised labour from their respective villages and towns, engaged with fellow contractors and inspired a sense of purpose.

Despite eight months being lost to the pandemic and work scope expanding 30%, PSP delivered the project as per the demanding schedule and in line with the customer’s stringent requirement.

Nestle India commissioned its noodles plant on schedule, protecting its revenue projections from the new facility.

ACHIEVED WHAT WAS CONSIDERED IMPOSSIBLE

SHRI KASHI VISHWANATH DHAM, VARANASI



Overview

When the project for the renovation of Shri Kashi Vishwanath Dham corridor was provided to PSP on February 11, 2020, there were 18 months to completion. Except that one could not have foreseen that within a-month-and-a-half, India would be locked down for more than two months and be in a state of semi-lockdown for a few months thereafter.

The scope comprised the expansion and beautification of the historic Kashi Vishwanath Temple, spread across 11.6 acres. The project comprised redevelopment of the entire stretch from the temple to River Ganga, building upgraded amenities for pilgrims, museums and Mandir Chowk, among other structures. The scope also comprised external façade lighting with significant architecture intent. The restoration included 3D mapping, conservation and strengthening of the temple.

On the face of it, the project appeared challenging: by a usual workflow approach, the project should have taken much longer than the time allocated. The 450m corridor from the temple to the river was marked by narrow 4m wide bylanes that made it virtually impossible for material, equipment and labourers to be positioned. The project was to be carried out on a live site as opposed to most construction spaces that are vacated completely for the vendor.

When the project entered its final stretch, the challenge of timely completion appeared daunting. Around ₹160 Crore worth of project equivalent had taken 16 months; ₹250 Crore of the project remained to be completed in five months (reduced later to four months).

The first response of any responsible construction company that would have gone by the retrospective project record would have been 'Impossible.' The PSP management said '*Thayi Jashe*' (Will be done) instead.

The challenges during this last 450m stretch proved considerable: structures were only getting ready; the sequence was not decided; construction was to be done across 250,000 sq ft.; the temple closure at midnight and reopening at 4am resulted in a short window to manoeuvre material and equipment across the critical corridor; the management of the project appeared to be a larger challenge than the actual construction.

PSP responded with a workflow that utilised every possible time, work and space opportunity. The detailed schedule was comprehensively communicated. The company deployed around 2000 workers on site. Some 80,000 cubic metres of sand was dredged (equivalent to 8000 trucks).

Most importantly, the chairman of the company camped on-site for two days a week in the initial months, for four days a week in November and every single day during December (aggregate 60 days across four months). His operative line of 'What next?' rallied the team to address the needs of the moment and prepare the ground for realities that would emerge later.

PSP delivered the project on the night of December 13, 2021 – what had been achieved in the first 16 months was replicated in the last six months. The collaboration between multiple authorities were unprecedented in the promoter's professional career spanning three-and-a-half decades. It represented a successful instance of the kind of landmarks that can be created by the country in the face of the most challenging realities.

The pain was worth it. The temple is now visited by around 30,000 people every day.

ACHIEVING WHAT IS CONSIDERED IMPOSSIBLE

SPORTS COMPLEX, AHMEDABAD

Overview

The ₹503.56 Crore Sports Complex conceived under the Khelo India Scheme will be more than just another addition to the sporting infrastructure of Ahmedabad.

It will represent, when completed, the creation of a multi-disciplinary infrastructure that could encourage more individuals to play sport, attract international events and catalyse the sporting culture.

When PSP was allocated the project, the challenges were considerable.

By the virtue of being located in a prime Ahmedabad neighbourhood with metro rail construction along the 132 feet road at Pragati Nagar, extensive traffic congestion had been foreseen. Besides, there was a challenge to excavate and allocate around 1.35 Lakhs cu.m in addition to hiring hundreds of labourers.

The company drew out an extensive blueprint to address these challenges. The company set up an in-situ concrete batching to reduce the movement of transit mixers on public roads, moderating traffic congestion and carbon footprint. The company rented an adjacent plot to pile the excavated material until it could be reused for backfilling. The company drew out a plan to engage 2500 labourers at peak deployment.

The result is that the company does not intend to merely complete the project on schedule; it intends to complete the 30-month project 60 days ahead of the stipulated deadline.

1,15,637
Sq mt. total built-up area

6,700
Total seating

What we will build

General

Cafeteria	Library	Media room	Administration office	Plumbing and drainage	Firefighting	Electrical work, ELV and HVAC.

Sporting facilities

Gymnasium	Outdoor & indoor courts	Swimming pools	Competition pool	Taekwondo court	Kabaddi court	Wrestling arena
Table tennis room	Basketball courts	Volleyball courts	Badminton courts	Carrom, chess, snooker and card rooms	Squash courts	Indoor shooting range

ACHIEVING WHAT IS CONSIDERED IMPOSSIBLE

UNIVERSITY CAMPUS, MEDICAL COLLEGE & HOSPITAL

Overview

The Uttar Pradesh government recognises the need to bring secondary health care closer to people. In view of this, the government outlined a programme to build new medical colleges and upgrade a district hospital in relatively non-prominent locations like Kanpur Dehat, Auraiya, Kushinagar, Lalitpur, Sultanpur and Sonbhadra, in addition to constructing the Atal Medical University in Lucknow and a residential complex for PAC Mahila Battalion in Badaun.

The Company was awarded the contract to build University Campus, six medical colleges and hospitals out of 14 tendered in the state. The ₹1,491 Crore project comprised several challenges when PSP embarked on them. Each town possessed its distinctive architectural style that.

The company responded to all challenges with a complement of initiatives. The design team coordinated drawings with MEP services. The project team engaged with the project management consultants and clients for timely approvals. The Company commissioned batching plants, testing labs, site offices, power / water linkages as well as staff and labour colonies.

The Company optimised costs through value engineering without compromising tender specifications. It standardised product designs to ensure procurement economies.

The result is that the company is well on its way to complete the entire project by the end of the current financial year.

737,981

Sq m aggregated for medical colleges and hospital campus

ACHIEVING WHAT WAS CONSIDERED IMPOSSIBLE

SURAT DIAMOND BOURSE

How we completed one of the most challenging urban projects India has seen – on time

THIS IS WHAT MADE THE PROJECT SPECIAL

World's largest commercial building

One of the first projects in Gujarat to use the Radiant Cooling System in a commercial building

Freestanding featured wall not connected to any building, attempted for the first time in India

Overview

When PSP was awarded the turnkey contract for the ₹1,575 Crore (concluded value ₹1,839 Crore) Surat Diamond Bourse in 2017, the industry whisper was that the company had bitten off more than it could chew.

There were good reasons for this conclusion.

The size of this project was 6x the previous largest project completed by the company. The project warranted construction of the world's largest office building on a single basement. The project was required to be completed in just 36 months.

The fine print was as challenging. The project warranted mass excavation of 15 Lakhs c.mt footprint of 10,00,000 sq. ft. at a 12m depth (marked by groundwater pressure as the project is close to the sea).

Besides, the pandemic brought work to a standstill for almost six months.

The company responded with a strategic business unit dedicated to the project (comprising three departments for monitoring, control and implementation). A senior vice president was stationed at the site to address challenges in real-time. Day-by-day construction schedules were outlined. A sequenced workflow was created. The company established funding lines to ensure that equipment and other supports were procured on time. A back-end finance team coordinated with the client for timely milestone payments to keep the project moving. The company deployed a peak labour pool of 8000+ people and technical staff of 550. The deployment of 40 excavators for three months helped drain ground water.

The result of this planning, discipline and urgency was that the company completed India's largest and possibly most challenging urban commercial project on schedule. The project that had commenced in December 2018 was completed in October 2022.

Following completion, the company reported a leap in public perception and pre-qualification capability, empowering it to bid for projects up to around ₹2,000 Crore.

More importantly, the company validated its spirit that 'There is nothing at PSP that is considered impossible.'

47

Number of months taken to complete the project from scratch (including Covid)

Big numbers of the project

1,850 ₹ Crore project size	66 Lakhs sq. ft. of constructed space	20 Lakhs sq. ft. of car and two-wheeler parking
10 Lakhs sq ft of common double basement	5,00,000 Cubic metres of concrete (average 670 cum per day)	52,000 Tons of reinforcement steel (average 80 tons per day for 24 months)
10,00,000 Sq. ft. of facade glazing	20,00,000 Sq. ft. of stone cladding	4,200 Number of offices

HOW WE
TRANSFOR

MED
OUR COMPANY

TRANSFORMATION AND PSP

At PSP, we work in a transforming world.

Digital technologies have evolved rapidly in the last few years.

Legacy construction methodologies are being extensively questioned.

Today's India is thinking bigger, bolder and better.

These realities are putting a premium on companies to transform as well.

PSP accelerated its transformation journey by questioning every paradigm and examining every process with the objective of building for India.

HOW WE HAVE TRANSFORMED IN THE LAST FEW YEARS

From pureplay construction to an EPC & turnkey solutions provider

From today's standards to tomorrow's benchmarks

From legacy practices to modern technologies

From conventional methodologies to automated technologies

From a perspective of enhancing our standards to taking national standards ahead

From small projects to large construction engagements

From being just another construction recruiter to a preferred employer

From equipment outsourcing to equipment ownership

From indicative assumptions to accurate and informed conclusions

From schedule uncertainty to timely delivery

From retrospective project tracking to real-time project progress

From hands-on promoter management to SAP-driven empowerment

From construction revenues to construction cum treasury incomes

From a culture of fiscal firefighting to fiscal discipline and clarity

From pan-Gujarat to a progressively pan-India presence

THIS IS HOW THE TRANSFORMATION HAS TRANSLATED INTO NUMBERS

Credit rating

2019-20	2020-21	2021-22
CARE A+; STABLE / CARE A1+	CARE A+; STABLE / CARE A1+	CARE A+; STABLE / CARE A1+

Pre-qualification range (₹ Crore)

2012-13	2017-18	2021-22
150-250	800-1,000	2,000-2,500

Market capitalisation (₹ Crore)

2019-20	2020-21	2021-22
1,170.00	1,669.32	1,931.40

Revenues (₹ Crore)

FY 2016-17 400.76	FY 2017-18 729.83	FY 2018-19 1,044.01
FY 2019-20 1,499.26	FY 2020-21 1,240.86	FY 2021-22 1,748.76

Total debt (long-term + short-term) (₹ Crore)

FY 2016-17 67.73	FY 2017-18 21.63	FY 2018-19 26.25
FY 2019-20 74.85	FY 2020-21 80.96	FY 2021-22 99.66

Interest cover (times)

FY 2016-17 9.30	FY 2017-18 13.97	FY 2018-19 21.89
FY 2019-20 18.34	FY 2020-21 10.89	FY 2021-22 12.48

ROCE (construction activity, %)

FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
65.68	43.50	36.89	39.45	21.79	36.12

Order book (₹ Crore)

FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
729	2,559	2,978	3,074	4,121	4,324

Number of employees

FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
489	761	1,229	1,447	1,223	1,345

PSP TRANSFORMED FROM MANUAL TO PRE-CAST CONSTRUCTION TECHNOLOGY

When PSP embraced pre-cast technology, it did not do so only as a statement of intent.

The company did so by venturing to construct its pre-cast factory through the pre-cast route, which would be a validation of its value proposition.

The company cast all the elements for its factory within its premises. The entire project – from design to construction - took only nine months (normally the constructed factory through the conventional method would have taken more than 15 months).

The highlight of this timely construction was amplified for the company's customers. The company was identified by the country's premier construction company L&T for addressing the urgent needs of the bullet train project – well ahead of the conventional benchmark.

The company finished the year under review with a ₹4,324 Crore order book across 43 projects; the precast division contributed ₹44.21 Crore and generated revenues of ₹15 Crore. The company expects to generate growing volumes from pre-cast technology projects during the current year. The company is not waiting for the next expansion round; during the current financial year, it embarked on its first expansion, initiated within less than just 12 months of plant commissioning.

The company expects to build sizable capacity that sends out a message to customers: that it intends to democratise pre-cast construction technology, inspiring a recall among customers that 'If it is pre-cast, PSP will be able to do it.'

PSP TRANSFORMED ITS PERSONALITY FROM THE REGIONAL TO THE NATIONAL

There was a time when PSP was just a Gujarat-based regional construction vendor.

Not just by its headquarters but also by the proportion of projects.

For instance, until FY 2016-17, 89% of the Company's revenues were derived out of projects located in Gujarat.

The Company set out to broad-base its geographic footprint with the objective to emerge as a pan-India company by participating in select marquee projects outside its State.

Several industry observers felt that this was easier said than done.

One, the Company was headquartered in a regional capital with virtually all its employees from that State.

Two, the Company scarcely bid for projects outside of Gujarat.

Three, the Company possessed virtually no non-Gujarat experience.

PSP resolved to transform that reality by punching above its weight, bidding for projects outside and developing competencies that would be increasingly relevant in other States.

The outcome was visible during the year under review. The Company generated 25% of its revenues from non-Gujarat States; the non-Gujarat business grew 263% during the last financial year; the non-Gujarat business accounted for 62.62% of the Company's order book as on March 31, 2022.

The result is that in the space of just a few years, the Company has transformed its personality from the regional to the national.

Parameter	FY 2019-20	FY 2020-21	FY 2021-22
Our non-Gujarat revenue as a % of the total	6	10	25
Our non-Gujarat order book as a % of the total	37.66	60.74	62.62

PSP TRANSFORMED FROM A CONSTRUCTION VENDOR TO AN EPC AND TURNKEY PERSONALITY

There was a time when PSP was just a civil construction vendor.

Customers came to PSP for the civil construction of plant, structures and other properties.

All that the Company was required to do was replicate the provided designs into structures – as faithfully and quickly as possible.

During this phase, the Company discovered ways of working better and quicker. The result was that even at nominal realisation, the Company generated a reasonable profit that was available to be reinvested in its business.

Even as the Company was engaged in this challenging segment, it was acquiring an experience of different customer requirements, terrain realities and project challenges.

During this period, there was something else that PSP recognised: that some projects could have been designed better, all services could have been under one roof for better coordination and faster delivery and for superior constructed outcomes.

That single observation empowered the Company to integrate backwards into design and forwards into EPC and turnkey projects engagement. PSP was now no longer one of various vendors delivering a portion of the constructed project; it was a single-point solution provider.

This transformation resulted in PSP exercising the full value of its bidding competence, project design capability, procurement economies, labour mobilisation, project management, quality consistency, rigorous compliances and timely delivery.

PSP has since emerged as a prominent name in India's mid-sized construction sector.

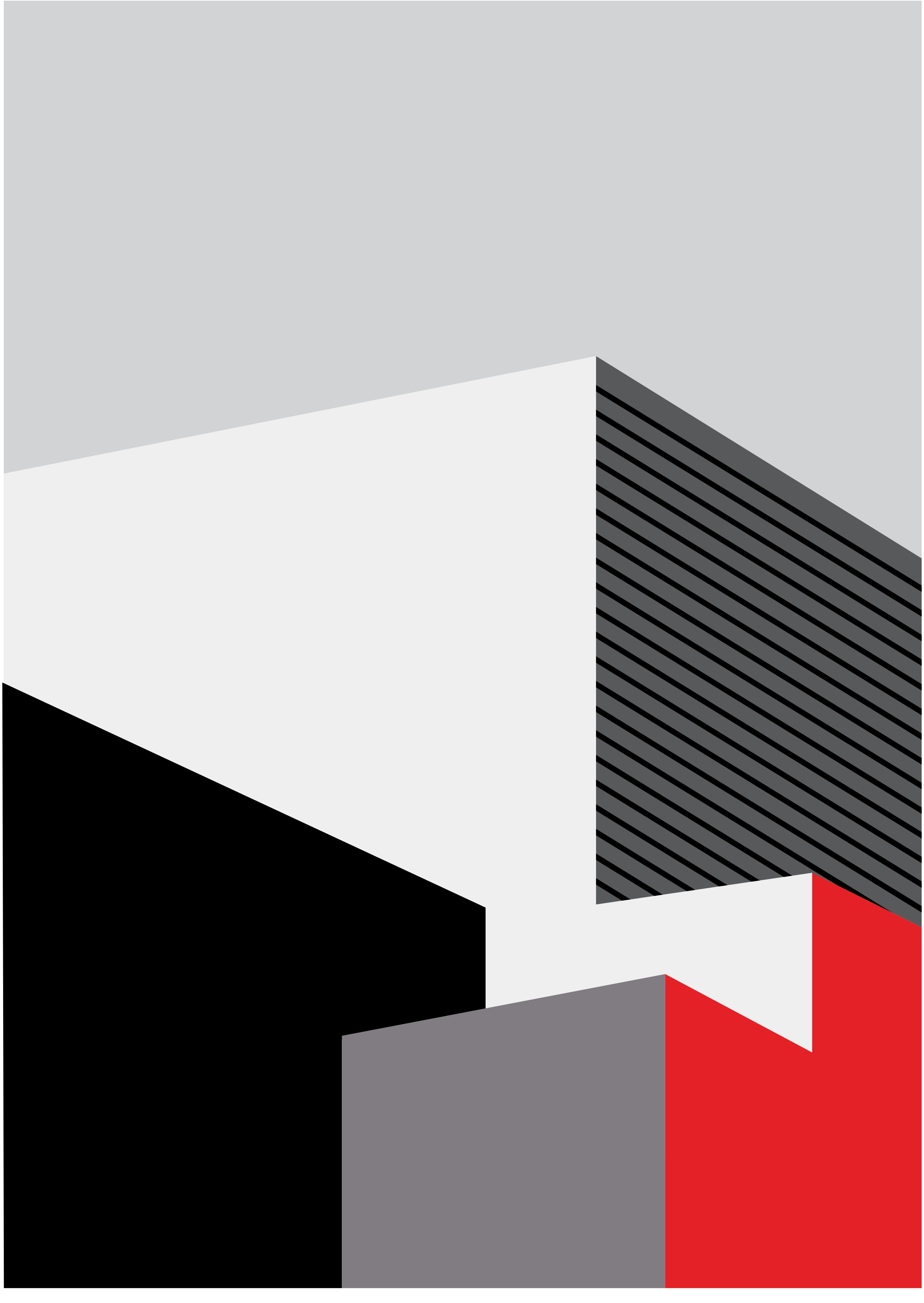
As a validation of its competence, the proportion of revenues from EPC and turnkey projects increased from 12% in FY 2018-19 to 29% in FY 2021-22, strengthening cash flows.

Parameter	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Turnkey & EPC revenues as a % of our overall turnover	11.67	16.25	21.74	28.95
Turnkey & EPC revenues as % of outstanding order book	86.34	91.00%	94.61	91.41

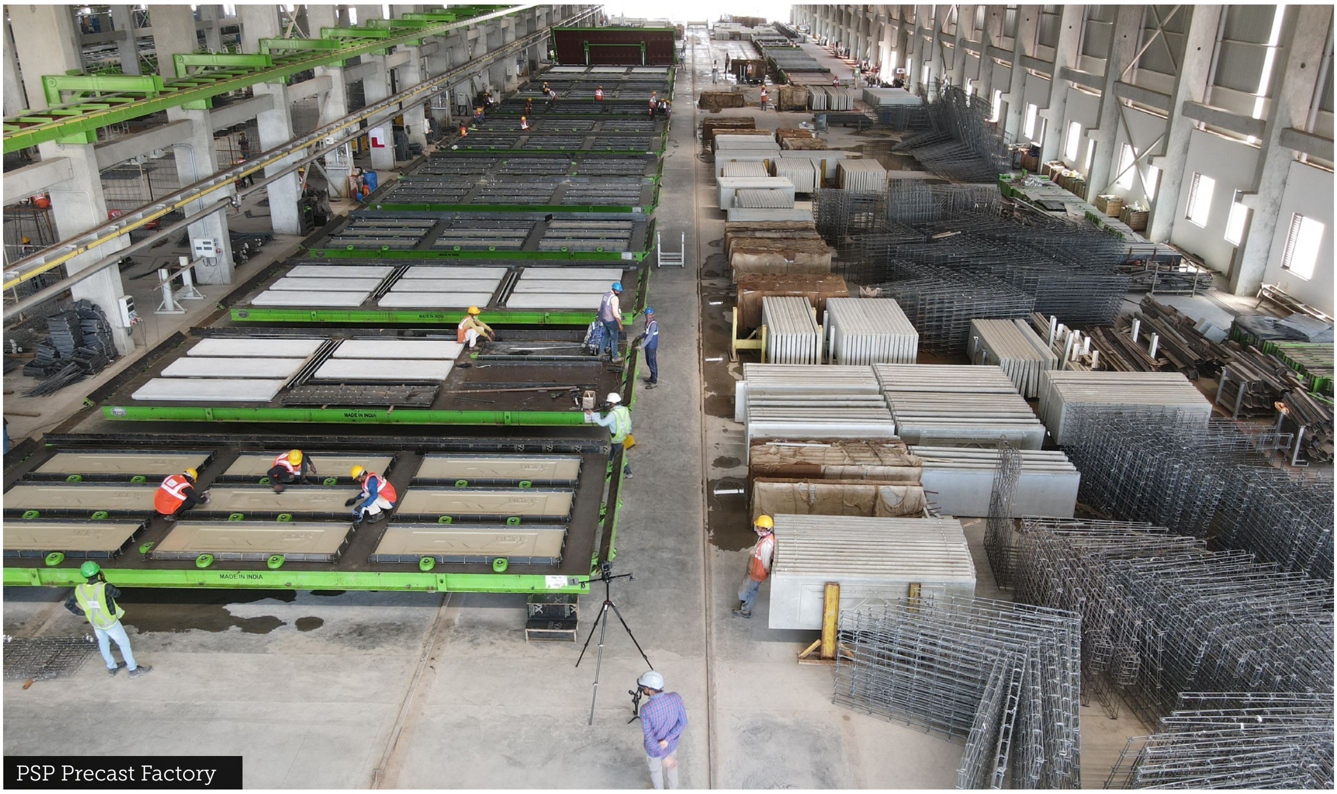
Our proprietary competence

- Bidding competence
- Project design capability
- Procurement economies
- Labour mobilisation
- Project management
- Quality consistency
- Rigorous compliances
- Timely delivery

TECHNOLOGY AND PSP



TECHNOLOGY AND PSP



PSP Precast Factory

Overview

The construction sector in India employs approaches ranging from the legacy, marked by manual and human interventions, to the modern, marked by increasing automation.

The pandemic proved to be a watershed in the country's construction sector. There is now a growing perception that the manual, conventional and legacy approach must yield to modern and futuristic standards.

We believe that competitiveness within India's construction sector will now be defined not as much by how the Company manages brick and mortar, but by how competently it manages technologies that control the brick and mortar.

This capability will, in turn, be influenced by how companies select technologies, how they adapt these technologies around their needs and how well the managers are trained in extract the full value from these technologies.

At PSP, the wider embrace of technologies represents a new phase in the Company's existence. As a result, the Company is evolving from a point, when it was perceived as a construction Company with a reasonable role for technology, to a point when it is now being appraised as a technology-driven construction company.

Our technology pedigree

Our technology pedigree has been derived from the rich multi-decade experience of our technocrat promoter Mr. Prahaladbhai S. Patel. He drew from his extensive experience within the sector to engage in differentiated construction and allied services across industrial, institutional, commercial, residential, hospitality, hospitals and high-profile Government projects.

This extensive experience represents the application and coming together of various technologies. This extensive exposure empowers the Company to identify the suitability of diverse technologies across different application environments, maximising value from the given challenge, available time and allocated budget. We believe this knowledge to be fundamental to the availability of the Company to enhance project value leading to business sustainability.

Our technology culture

PSP enjoys an inspiring track record of technology absorption, application and outcome.

The Company introduced the first tower crane for a construction project in Gujarat related to the loading and unloading of material during the construction of high-rise structures.

The Company was the first to introduce ready-mix concrete plants in Ahmedabad.

The Company engaged in dredging for creating a concrete wall at the Ganga Ghat, never before attempted in India.

The Company was the first to utilise the working platform for hi-tech building.

The Company emerged as the largest modular formwork system buyer in Gujarat (from PERI of Germany, supporting the weight of the concrete until it dried into a specified shape with the strength to support itself), strengthening project efficiency, concrete placement quality and people productivity.

The Company emerged as one of the first companies in India to invest in Building Information Modelling.

The Company emerged as one of the first companies in India to invest in pre-cast construction technology (2021) for merchant application and the benefit of other companies.

The pre-cast technology is one of the most resource-efficient construction options, generating a lower lifetime cost than any other building form. It provides precast and pre-stressed concrete elements; a recent innovation that comprises a hollow core slab, using less concrete. It facilitates mass production with quality control.

Our technology outcomes

- The enhanced use of technology has moderated the Company's dependence on manual labour.
- The use of advanced technology across the organisation has deepened the future-facing orientation of the Company with a ripple effect into the 'PSP way of life'.
- The use of technology has accelerated digitalisation.
- The shifting of the organisational needle towards advanced technology is backed completely by the senior management with periodic reporting on investments and outcomes.

Upsides of our precast plant

Lower labour utilisation

Outcome: Only a fourth when compared with the conventional system

Time-saving and efficient delivery

Outcome: Estimated time reduction by around 40%

Cost-effective

Outcome: Moderated cost and efficient project delivery

Superior and consistent quality

Outcome: First-time right construction

Our formwork provider: PERI of Germany

PERI is one of the leading manufacturers and suppliers of formwork and scaffold systems in the world, based in Germany. The Company provides its clients with innovative system equipment and comprehensive services relating to all aspects of formwork and scaffolding technology, increasing the cost-effectiveness of project execution. PSP is one of the marquee clients for PERI in India.

Pre-cast construction technology developments at PSP

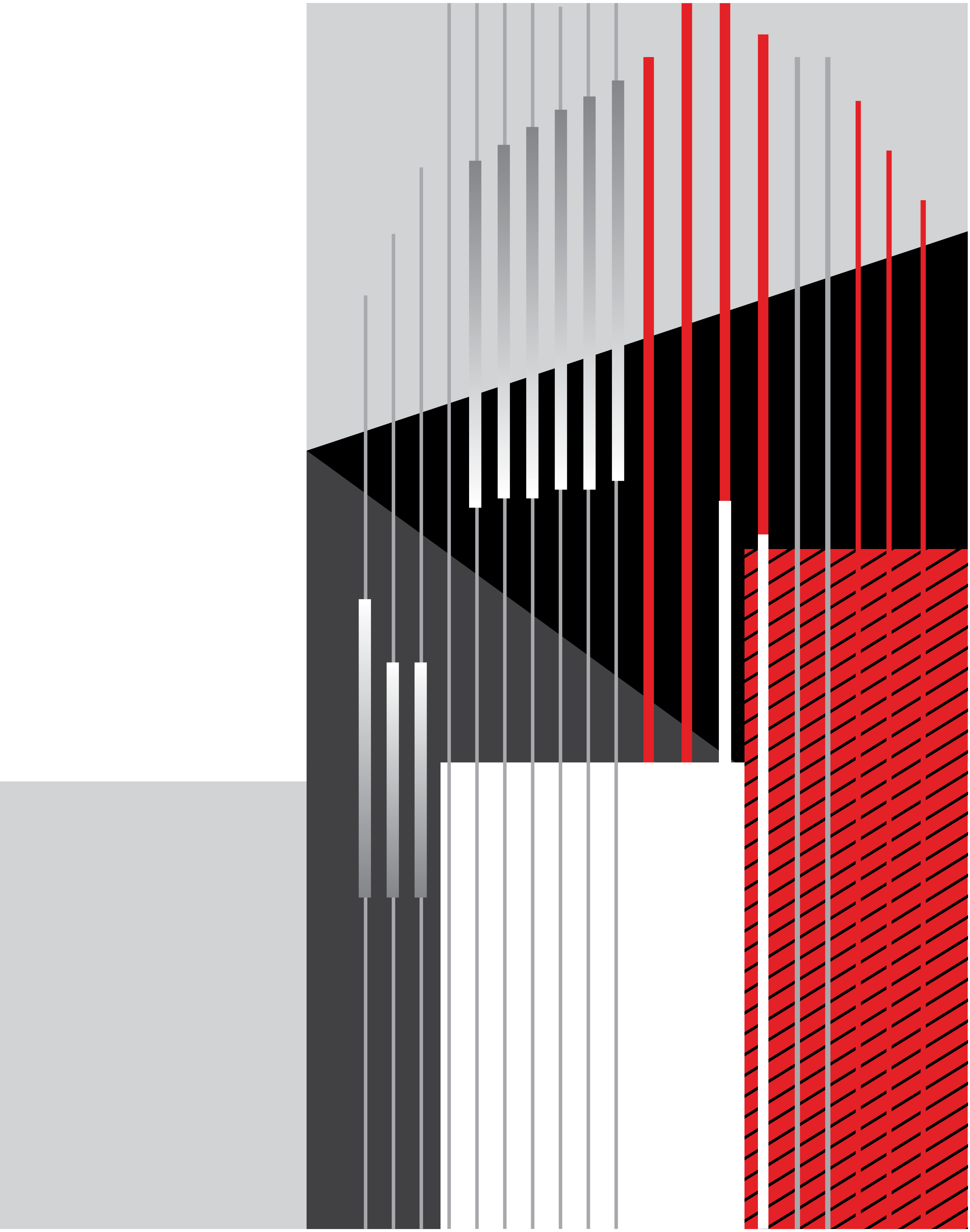
Received the first order from L&T related to the bullet train infrastructure

Completed its factory in FY 2021-22 through the pre-cast technology; construction took 9 months as against the usual 15+ months

Order book as on March 31, 2022 was ₹44.21 Crore

Revenues generated from this technology was ₹15 Crore in FY 2021-22

BUSINESS ENABLERS AND MD&A



BUSINESS ENABLER:
PEOPLE MANAGEMENT

Overview

• We align an individual's career aspiration with the company's growth objective.

• We train talent to achieve the corporate performance target.

• Our HR initiatives reduced attrition, meeting client specification in terms of quality and time without safety compromise.

• Our HR initiatives consider our construction workers and their welfare.

Productivity

• Our sites workers play a significant impact on our profitability.

• They are required to translate a blueprint into reality, get it right first time, build with speed, work as a team, understand the engineer's language, work with process discipline, highlight deviations and work safely.

• Most construction workers do not possess a formal education and are yet speak the engineer's language; they stay months from their families and treat PSP as their own; they drive the management's 'We can do it' vision; they innovate on the ground during challenging projects.

• The company remunerates on time, provides housing (for the family), sanitation, hygiene, children's education, community and leisure; it cares for their safety, training and re-training.

Our talent development priorities

• We introduced aptitude and technical tests for campus hiring.

• We trained workers through Construction Skill Development Council of India.

• We have commenced communication skill training for around 200 employees (junior engineers and above); we held a Foundational Leadership Programme for 24 shortlisted employees (delegation, crisis management, communication skills, business skills and project planning).

• We used online psychometric tests for evaluating talent leadership skills for employees who are a part of the Foundational Leadership Programme and with us over three years in decision-making positions.

• We implemented a Key Performance index to link performance Management with the company's growth.

Improves employee experience

• We are in the process of introducing a new human resource management software (HRMS) i.e. Darwinbox.

• We made employee engagement transparent, enhancing communication with the employees.

• We counselled and guided under-performing employees

• We promoted and plugged vacancies from within

• We assigned sites to employees as per their strengths, enhancing productivity.

BIG NUMBERS

Employees

Year	FY 2019-20	FY 2020-21	FY 2021-22
Employees	1447	1223	1345

Average age

Year	FY 2019-20	FY 2020-21	FY 2021-22
Average age	31	32	32

Employees by gender

Year	FY 2019-20	FY 2020-21	FY 2021-22
Male	1410	1187	1313
Female	37	36	32

Employees by age group

Year	FY 2019-20	FY 2020-21	FY 2021-22
Age group 18-35	1122	890	957
Age group 36-45	222	227	268
Age group 46-60	103	106	120

Profile of employees as per education

Year	FY 2019-20	FY 2020-21	FY 2021-22
Graduates	834	662	745
Masters	34	29	32
Engineers	559	508	535
MBAs	14	17	26
Professionals	6	7	7

Retention rate (%)

Year	FY 2019-20	FY 2020-21	FY 2021-22
People retention rate in %	50.34	71.86	53.43

Employee cost as a percentage of total revenue

Year	FY 2019-20	FY 2020-21	FY 2021-22
Employee cost as % of revenue	2.75	3.06	2.71

Employees by tenure

Year	FY 2019-20	FY 2020-21	FY 2021-22
More than 5 years (as % of total)	10	17	17

Average remuneration per month

Year	FY 2019-20	FY 2020-21	FY 2021-22
Average remuneration (₹)	28,919	31,624	35,701

Average experience of employees

Year	FY 2019-20	FY 2020-21	FY 2021-22
Experience (years)	8.11	8.00	7.06

BUSINESS ENABLER: COMPLIANCE, STRENGTHENING SAFETY AND RESPONSIBILITY

Overview

Compliance is increasingly influencing the brand of a company, strengthening its roundedness to address the demanding needs of an evolving world.

Compliance empowers the management to prevent and detect violation of laws of the land; it ensures that employees abide by conduct and external regulations; it protects the organisation from penalties and legal engagement.

Compliance protects employee health and safety, saving the organisation from mishaps, loss of respect and related costs.

Besides, a new generation of demanding clients seek to work with construction companies that comply with all applicable acts, rules and regulations, empowering the company to receive repeat orders.

The Company complies with various laws as prescribed by SEBI - Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, The Securities and Exchange Board of India Substantial Acquisition of Shares and Takeovers) Regulations, 2011, The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 etc. among other applicable laws.

The Company also complies with Building and Other Constructions Workers (Regulation of Employment and Conditions of Service) Act, 1996, Occupational Safety, Health and Working Conditions Code, 2020 etc., any under-delivery in which could lead to on-site accidents or injuries.

The Company created focused departments (HR, CS/Legal, EHS and Audit) to address different compliances. The Company availed services of an external agency to track violations of SEBI (Prohibition of Insider Trading) Regulations, 2015. The Company hired professionals with related experience from prominent organisations in compliance management.

PSP's certifications

Certification	Tenures	Implications
ISO 9001:2015	Initial registration on 10/01/2013. Last renewed on 20/09/2021. Valid till 10/01/2025	Recognised Quality management system issued by Alcumus ISOQAR.
ISO 14001: 2015	Initial registration on 05/102015. Last renewed on 20/09/2021. Valid till 5/10/2024	Recognised environmental management system issued by Alcumus ISOQAR.
ISO 45001: 2018	Initial Registration on 05/102015. Last renewed on 20/09/2021. Valid till 5/10/2024	Recognised occupational health and safety management system issued by Alcumus ISOQAR.

AT PSP, AN ENVIRONMENT-HEALTH-SAFETY (EHS) COMMITMENT RESIDES AT THE CORE OF OUR CULTURE

Overview

A growing number of global companies are recognising environmental, financial and reputational benefits from sustainable practices in the face of environmental factors like political, legal, institutional, cultural, sociological technological resource, economic, financial, and physical infrastructure. Besides complying with environment norms, agencies are helping reduce resource depletion, water scarcity, pollution and harmful impacts on the one hand while enhancing process safety on the other.

This approach is defined in the Company's policy by providing and maintaining safe facilities and working conditions. Occupational health safety and protection of environment is our prime focus and important objective with purpose of context. We are conscious of our responsibility for creating, maintaining and ensuring a safe and clean environment that reduce health and safety hazards through application of technology and safe work practices for sustainable development.

The combination – environment, health and society – represents a platform leading to secure, scalable and sustainable long-term growth.

Our EHS commitment

One, prevention of infrastructure construction risk rather than reactive rectification and its adverse impact on the environment.

Two, follow safe work practices and encourage workers and their representatives to participate or share their views while development and for changes in required EQHSMS effectiveness.

Three, encourage EHS as a part of our ESG commitment. Our ESG understanding is that it is not enough to do the right things, but to do them in the right ways too, reinforcing our position as a responsible corporate citizen. This commitment is important as there is a premium on the need to enhance a comprehensive compliance and commitment. It is no longer important to focus on the needs of a limited number of stakeholders but to service the aspirations of all stakeholders.

Four, conserve natural resources by their responsible and efficient use in our operations.

Five, comply with relevant laws and regulations as well as take any additional measures, which go beyond legal statutory requirements.

Six, reserve & maintain the health, safety and the environment of the construction site, neighbourhood and other interested parties.

Seven, make this policy accessible to our company stakeholders.

6 ways we have created a strong safety culture

- Eliminated potential hazards
- Enhanced training for all workers
- Provided workers with adequate equipment
- Provided visual safety aids and signages
- Created a Safety Committee; held related monthly meetings.
- Deepened a culture of documentation (reports and periodic performance measurements)

OUR SAFETY RECORD

20
Million, safe person hours achieved across all projects, FY 2021-22

13.3
Million, safe person hours achieved across all projects, FY 2020-21

29.4
Million, safe person hours achieved across all projects, FY 2019-20

OUR PRIORITY

RESPONSIBLE CORPORATE CITIZEN

304.32

(₹ in Lakhs), Total CSR spending in FY 2021-22.

Overview

At PSP, holistic community development is integral to responsible business and an embedded value at PSP.

The Company has constituted a CSR Committee, which is chaired by Mr. Sandeep Shah, Independent Director of the Company and comprises Mr. Prahaladbhai S. Patel, Managing Director, and Ms. Pooja P. Patel, Whole Time Director.

The Company carries out most of its CSR initiatives through implementing agencies comprising educational institutions, NGOs, and others with a focus on education, healthcare, sanitation, women's empowerment, rural development and welfare & protection of animals etc.

Highlights, FY 2021-22

Healthcare: During the year under review, the Company contributed an amount of ₹250 Lakhs towards the promotion of healthcare facilities of Samast Patidar Aarogya Trust Gujarat.

Education: The Company contributed ₹4.32 Lakhs to CEPT University, Ahmedabad, for scholarships of meritorious students pursuing the undergraduate programme.

Covid-19 support: In collaboration with YUVA Unstoppable, the Company spent ₹50 Lakhs to provide primary healthcare and Covid-19 protection support across Gujarat.

BOARD OF DIRECTORS

Leading the way

Mr. Prahaladbhai Patel
Chairman, Managing Director and Chief Executive Officer

He has a Bachelor's degree in civil engineering from Saurashtra University. He was engaged in the civil construction space even before the incorporation of PSP. He has more than three decades of experience in the construction space and played a significant role in the growth of PSP. Aged 59 years, he has been featured in the book titled 'Business Game Changers: Shoonya se Shikhar' authored by Prakash Biyani.

Ms. Pooja P. Patel
Whole Time Director

She has a Bachelor's degree in civil engineering from Gujarat Technological University and a post-graduate diploma in financial management from Ahmedabad Management Association. Aged 29 years, she has been actively involved in planning of projects, procurement of materials and execution of projects for PSP since 2015. She has also represented PSP in Indian Concrete Institute Chapter-1, Ahmedabad.

Mr. Sagar P. Patel
Executive Director

He has a Bachelor's degree in civil engineering from Gujarat Technological University. Aged 26 years, he is actively involved in project planning, project tendering, contracts, and the execution of projects. Moreover, he manages the entire Precast Manufacturing Division of the Company.

Sandeep Shah
Independent Director

He holds a Bachelor's degree in commerce and attended a course for a Bachelor's degree in law from Gujarat University. He is on the Board of Directors of Creative Infotech Private Limited. He has vast experience in the business of Information Technology products and services. He is also the Chairman of Corporate Social Responsibility Committee.

Vasishtha Patel
Independent Director

He holds a Bachelor's degree in business administration from Sardar Patel University and a Master's degree in business administration from South Gujarat University. He has over 20 years of experience in management and exports. He previously held managerial positions where he handled business opportunities and operations. He is a Director of Multico Exports Private Limited, which is involved in the export of pharmaceuticals and raw materials. He is also the Chairman of the Audit Committee of our company.

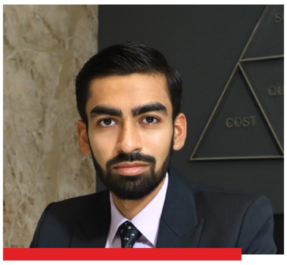
Mrs. Achala Patel
Independent Director

She is a Postgraduate and M. Phil from School of Languages, Gujarat University. She has completed her graduation from St. Xavier's Arts College, Ahmedabad. She is a Gold Medallist and 1st rank holder at the university level at the graduation and post-graduation levels. She is a founder and Designated Partner of MAP Power LLP and Chopper Worx Construction LLP. She is involved in the business of high voltage power transmission, representing European companies in India and neighbouring countries for more than 16 years. She is also the Chairperson of the Nomination and remuneration Committee.

KEY MANAGERIAL PERSONNEL

Mr. Prahaladbhai Patel
Chairman, Managing Director and CEO

Ms. Pooja P. Patel
Whole Time Director



Mr. Sagar P. Patel
Executive Director

Mr. Mahesh Patel
Senior Vice President – Operations

Mr. Maulik Patel
Vice President – Procurement

Mr. Viplav Shah
Vice President – Planning

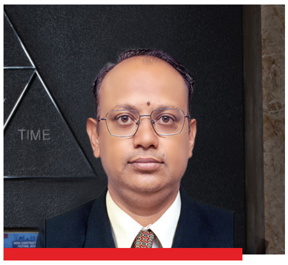
Mrs. Hetal Patel
Chief Financial Officer

Mr. Kenan Patel
Company Secretary and Compliance Officer

Mr. Ramjibhai Parmar
General Manager – Tender

Mr. Pratik Thakkar
General Manager – Business Development

Mr. Girish Ramkumar
Vice President– Human Resources



Mr. Vijay Nimavar
Manager - IT

Mr. Sanjay Kumar Rai
Senior Manager – SAP & IT

Mr. Pushpesh Singh
Deputy General Manager – Contracts

MANAGEMENT DISCUSSION AND ANALYSIS

Global economic overview

The global economy grew an estimated 5.9% in 2021 compared to a de-growth of 3.3% in 2020. This improvement was largely due to increased vaccination rollout and a revival in economic activity. The global economy was affected by prohibitive shipping freight rates, and a shortage of shipping containers and semiconductor chips in 2021, affecting economic recovery. Inflation was at its highest since 2011. The global economy is projected to grow at a modest 2.6% in 2022 following a slowdown on account of the Russia-Ukraine war

Regional growth (%)	2021	2020
World output	5.9	(3.3)
Advanced economies	5.0	(4.9)
Emerging and developing economies	6.3	(2.4)

(Source: IMF, World Bank, UNCTAD)

Indian economic overview

The Indian economy reported an attractive recovery in 2021-22, its GDP rebounding from a de-growth of 7.3% in 2020-21 to an estimated growth of 8.7% in 2021-22. By the close of 2021-22, India was among the six largest global economies. Its economic growth rate was the fastest among major economies (save China) with its market size at around 1.40 Billion being the second most populous and its rural under-consumed population arguably the largest.

Y-o-Y growth of the Indian economy

	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Real GDP growth (%)	6.1	4.2	(7.3)	8.7

Q-o-Q Growth of the Indian economy for FY 2021-22

	Q1, FY 2021-22	Q2, FY 2021-22	Q3, FY 2021-22	Q4, FY 2021-22
Real GDP growth (%)	20.1	8.4	5.4	4.1

There were positive features of the Indian economy during the year under review.

Foreign direct investments (FDI) in India increased by 1.95% to USD83.57 Billion in 2021-22 from USD81.72 Billion in 2020-21. The government approved 100% FDI for insurance intermediaries and increased the FDI limit in the insurance sector from 49% to 74% in Union Budget 2021-22.

India surpassed the ₹88,000 Crore target set for asset monetisation in 2021-22, raising over ₹97,000 Crore with roads, power, coal, mining, and minerals accounting for a large chunk of the transactions.

The Indian government launched a four-year ₹6 Lakhs Crore asset monetisation plan (roads and highways, pipelines, power transmission lines, telecom towers, railways station re-development, private trains, tracks, goods sheds, dedicated freight corridor, railways stadiums, airports, projects in major ports, coal mining projects, mineral mining blocks, national stadia, redevelopment of colonies and hospitality assets).

In 2021, India was the largest recipient of global remittances. The country received remittance of USD 87 Billion in 2021, with the US being the largest source (20%). India's foreign exchange reserves stood at an all-time high of USD 642.45 Billion as of September 3, 2021, crossing USD 600 Billion in forex reserves for the first time.

Retail inflation in March at 6.95% was above the RBI's tolerance level of 6% but fuel prices played no part in this surge. Retail inflation spiked to a 17-month high in March 2022, above the upper limit of the RBI's tolerance band for the third straight month.

India's currency weakened by 3.59% from ₹73.28 to ₹75.91 to a US dollar through FY 2021-22. The consumer price index (CPI) of India stood at an estimated 5.3% in FY 2021-22. India reported improving Goods and Services Tax (GST) collections month-on-month in the second half of 2021-22 following the relaxation of the lockdown. The country recorded its highest monthly GST collections in March 2022 at ₹1.42 Lakhs Crore, 15% higher than the corresponding month in 2021. India's tax collections increased to a record ₹27.07 Lakhs Crore in FY 2021-22 compared with a budget estimate of ₹22.17 Lakhs Crore. While direct taxes increased 49%, indirect tax collections increased 30%. The tax-to-GDP ratio jumped from 10.3% in FY 2020-21 to 11.7% in FY 2021-22, the highest since 1999.

India ranked 62 in the 2020 World Bank's Ease of Doing Business ranking. The country received positive FPIs worth ₹51,000 Crore in 2021 as the country ranked fifth among the world's top leading stock markets with a market capitalisation of USD3.21 Trillion in March 2022.

The fiscal deficit was estimated at ~₹15.91 Trillion for the year ending March 31, 2022, on account of a higher government expenditure during the year under review.

India's per capita income was estimated to have increased 16.28% from ₹1.29 Lakhs in 2020-21 to ₹1.50 Lakhs in 2021-22 following a relaxation in lockdowns and increased vaccine rollout.

(Source: Economic Times, IMF, World Bank, EIU, Business Standard, McKinsey, SANDRP, Times of India, Livemint, InvestIndia.org, Indian Express, NDTV, Asian Development Bank)

Budget 2022-23 provisions

The Budget 2022-23 seeks to lay the foundation of the Indian economy over the 'Amrit Kaal' period of the next 25 years leading to 100 years of independence in 2047. The government is emphasising the role of PM Gati Shakti, Inclusive Development, Productivity Enhancement & Investment, Sunrise Opportunities, Energy Transition and Climate Action, as well as Financing of Investments.

The capital expenditure target of the Indian government expanded by 35.4% from ₹5.54 Lakhs Crore to ₹7.50 Lakhs Crore. The effective capital expenditure for FY23 is seen at ₹10.7 Lakhs Crore. An outlay of ₹5.25 Lakhs Crore was made to the Ministry of Defence, which is 13.31% of the total budget outlay.

A boost was provided to India's electric vehicle policy 'Scheme for Faster Adoption and Manufacturing of (Hybrid and) Electric Vehicle in India'. An announcement of nearly ₹20,000 Crore were made for the PM Gati Shakti National Master Plan to catalyse the infrastructure sector. An expansion of 25,000 km was initiated for 2022-23 for the national highways network. To boost the agricultural sector, an allocation of ₹2.37 Lakhs Crore was made towards the procurement of wheat and paddy under MSP operations. An outlay of ₹1.97 Lakhs Crore was announced for the Production Linked Incentive (PLI) schemes across 13 sectors.

Outlook

The Indian economy is projected to grow by 7.4% in FY23 (World Bank estimate), buoyed by tailwinds of consistent agricultural performance, flattening of the COVID-19 infection curve, increase in government spending, favourable reforms and an efficient roll-out of the vaccine leading to a revival in economic activity.

Across the next three years, capital expenditure in core sectors - cement, metal, oil refining and power - should be about ₹5 Trillion. Besides, the government's production linked incentives (PLI)–led capex should generate an incremental ₹1.4 Trillion in sectors like consumer durables, pharmaceuticals, and automobiles.

Indian construction industry overview

The Indian construction industry is categorised into commercial, residential and industrial construction. An essential engine of the Indian economy is the infrastructure industry comprising power, bridges, dams, highways, and the development of urban infrastructure.

Union Budget 2022-23 highlights

The Union Budget 2022-23 focused on a long-term plan for the country with digitisation, urban development and sustainability at its core.

In Union Budget 2022-23, the Indian government announced that 80 Lakhs houses would be completed for the identified eligible beneficiaries of Pradhan Mantri Awas Yojana. For both rural and urban regions, ₹48,000 Crore was allocated. The National Highway network will be expanded by 25,000 km in 2022-23.

₹20,000 Crore was allocated by the government to accelerate the PM Gati Shakti project and multi-modal connectivity for states with speedier implementation of development projects through technology. The seven engines expected to drive PM Gati Shakti are roads, railways, airports, ports, mass transport, waterways, and logistics infrastructure.

2,000 km of rail network is expected to be created under the indigenous world-class technology KAWACH; new Vande Bharat trains could revolutionise Indian infrastructure and tourism in three years.

(Source: constructionplacements.com)

Industry structure and developments

Industrial construction

India's construction industry is projected to reach USD1.4 Trillion by 2025. India's construction market consists about 250 sub-sectors. The country has a USD 1.4 Trillion investment budget for infrastructure under the National Infrastructure Pipeline, 24% towards renewable energy, 19% towards roads and highways, 16% going towards urban infrastructure and 13% for railroads. Urban planning, contemporary and technology-driven, is projected to improve life quality through programmes like the ground-breaking Smart City Mission (goal of 100 cities).

The PM Gati Shakti Master Plan for Expressways will be implemented (Union Budget 2022–23) will provide quicker transportation. The National Highway network would be increased by 25,000 kilometres in 2022–23 at a cost of ₹20,000 Crore. Moreover, the construction of further sections of national roads, as well as the approval and completion of several projects and fundraising efforts, could result in a significant development for India's road industry in 2022. In 2022, a comprehensive multi-modal national transportation and logistics network, connectivity with remote and challenging terrains, decongestion of crucial locations on the road network, and advancement with the voluntary car scrappage programme would be priorities.

(Source: mordonintelligence.com, investindia.gov.in)

Residential construction

India's real estate sector is witnessing a healthy increase in demand in 2022 and this momentum is expected to continue. Around 40 Million square feet was delivered in India in 2021 and is expected to deliver 46 Million square feet by the end of 2022. The market is anticipated to reach USD1 Trillion by 2030, with affordable housing playing an impactful role. The emergence of nuclear families, rapid urbanisation and rising household income are key growth drivers in the residential real estate sector. Moreover, the sector is expected to contribute 13% of the country's GDP by 2030.

India is among the top 10 price appreciating housing markets across the globe. The Indian residential (home sales and new launches) sector registered a significant improvement in the period between July and September 2021. The sector witnessed a remarkable year of growth with home sales rising by 71% year on year (YoY) with 237,000 units sold across the top eight cities of the country, thus reaching 90% of pre-Covid 2019 levels.

The Indian government continues to prioritise the affordable housing segment and seeks to strengthen the existing financing system to provide liquidity to expand real estate projects. The government introduced the Atmanirbhar Bharat 3.0 package, which contained income tax relief measures for real estate developers and homebuyers for the purchase or sale residential units of value. Also, the schemes such as the revolutionary Smart City Mission (target 100 cities by June 2023) are expected to improve the quality of life through modernised / technology-driven urban planning.

(Source: IBEF, ETimes, Mint, investindia.gov.in, myrealestate.in)

Commercial construction

The commercial real estate sector comprises categories that include office space, hotels and resorts, malls, restaurants, healthcare facilities and others. With industrial real estate thriving, the future of India's commercial real estate appears optimistic.

E-commerce and third-party logistic enterprises will continue to invest in warehousing, making it one of the fastest-growing categories in commercial real estate. Leasing activities picked up in FY 2021-22especially during October-December onwards and was up 12% at around 28 Million sq ft. from 25 Million sq ft. in FY 2020-21. Further, the sector is expected to grow at a CAGR of ~13% during the forecasted period 2022-2027.

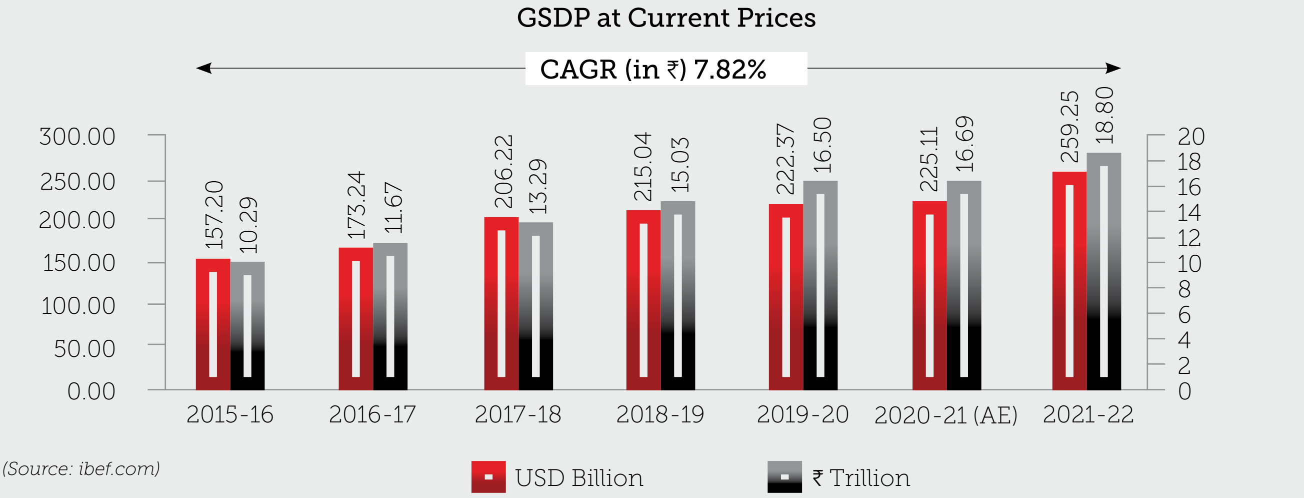
The National Bank for Financing Infrastructure and Development (NaBFID) was established in March 2021 to finance infrastructure projects in India. Foreign investments in the commercial real estate sector were estimated at USD 10.3 Billion from 2017-21 and is expected to record increasing investments. For completed projects of townships, malls/ shopping complexes and business constructions, 100% Foreign Direct Investment is permitted under the automatic route. The government plans to introduce a new legislation to replace the Special Economic Zones (SEZ) Act, together with proposed reforms in customs administration of SEZs, will enhance export competitiveness, thereby supporting industrial activity and aid the commercial real estate segment. The announcement of Gati Shakti framework focuses on the development of multimodal logistics parks and cargo terminals, a great initiative for the warehousing sector.

(Source: Financial Express, investindia.gov.in, moneycontrol.com)

Industrial development in Gujarat

Gujarat is one of the leading industrialised states in India. At current prices, Gujarat's Gross State Domestic Product (GSDP) was estimated at ₹18,79,826 Crore (USD 259.25 Billion) in FY 2021-22, an increase of 7% YoY. The State received the highest Foreign Direct Investment (FDI) at USD 21.89 Billion in 2021 and stood at the top of all states, accounting for 30% of the total equity inflows.

The Government of Gujarat developed 'Gujarat Sustainable Vision 2030', which allocates responsibility to various key departments of the Government of Gujarat to develop roadmaps for meeting Sustainable Development Goals in the State.



(Source: ibef.com)

Advantages

Policy incentives

• The state Government has framed policies in almost all key sectors such as industry, power, ports, roads, agriculture and minerals

• In June 2021, the Gujarat government introduced the electric vehicles (EV) policy with the aim to roll out 200,000 EVs over the next four years

• Gujarat, with the highest installed solar capacity, plans to announce a new net metering policy, providing financial support to solar power generating households

Facilitating infrastructure

• Gujarat comprises 46 ports, 18 domestic airports and one international airport. The state also has an extensive road and rail network. A 2,200 km gas grid supplies gas to industrial areas

High economic growth and industrial development

• Accounting for 5% of the total Indian population, Gujarat contributes about a quarter to India's goods exports.

Rich labour pool

• Gujarat has a good educational infrastructure with premier institutes in management, fashion, design, infrastructure planning & pharmaceuticals.

• There are industrial training institutes in each district to train manpower for the shop floor level.

• The state Government has undertaken initiatives to encourage innovation in the education sector

Key government policies and objectives

• IT/ITes Policy 2022-27: To transform the IT landscape of Gujarat with world-class IT infrastructure, availability of high-skilled resources and innovation in emerging technologies

• Biotechnology Policy 2022-27: For creating growth opportunities with a potential to provide an array of solutions for challenges in sectors such as health, agriculture, environment, energy and industrial processes

• Solar Power Policy 2021: To promote the generation of green and clean power in the state using solar energy and reduce energy cost.

• Startup-Policy 2016-2021: To facilitate investments of USD 1 Billion to at least 2000 start-ups, establish at least 50 incubators and 1 Million sq. ft. of incubation space

• New Industrial Policy 2020: To strengthen Gujarat's manufacturing ecosystem and provide thrust to the 'up and coming' sectors of India's dynamic business ecosystem

Key industrial infrastructure sectors of Gujarat

Roads

• The length of the National Highways in Gujarat is 7,744 kms, as of FY 2020-21.

• The Gujarat State Road Transport Corporation transports ~24 Lakhs people every day.

Type of road	Road length (km) as of 2020
National highways	4,697
State highways	17,201
Major district roads	20,563
Other district roads	10,246
Village roads	28,293

(Source: IBEF)

Airports

• The state has 10 domestic airports (the highest in any State) and one international airport.

• The state department of civil aviation invested ₹150 Crore (USD 20.22 Million) to commence the manufacturing of 2-seater and 4-seater aircraft as well as air ambulances.

Aircraft movement, Passenger and Freight in 2021-22

Aiport	Aircraft movement (nos.)	Passenger traffic (nos.)	Freight (MT)
Ahmedabad	12,163	1,068,348	29,319
Vadodara	589	75,344	324
Rajkot	712	48,698	22

(Source: IBEF)

Railways

• Gujarat's total length of railway lines stood at 5,258.49 route kms, consisting of 3,506.55 kms of Broad Gauge (BG), 1,193.04 kms of Meter Gauge (MG), and 558.90 kms of Narrow Gauge (NG) lines.

• The Government of India sanctioned the construction of the Ahmedabad Metro with a length of 36 kms at a cost of ₹10,773 Crore (USD 1.61 Billion). The project's first phase was completed in December 2020.

• In 2021, Gujarat allocated ₹15 Billion (USD 205 Million) for the development of the Ahmedabad–Mumbai bullet train. The bullet train corridor will cover a length of 508.17 kms and comprises 12 stations in Gujarat, Maharashtra and the UT of Dadra and Nagar Haveli.

• The length of the corridor is 508 kms and the total journey time for the train is estimated at 2.07 hours with a total estimated cost of the project is USD 14.92 Billion

(Source: IBEF)

Ports

• Gujarat was the first state in India to undertake port privatisation. It has been a pioneer in encouraging public-private partnerships in the port sector.

• The state has a vast hinterland surrounded by the northwest markets of Rajasthan, Delhi/NCR & Punjab. The state has a large external trade potential, given its vast coastline. The small ports of Gujarat hold 70% share of the cargo handled by all small ports in the country.

• An international mediation and arbitration centre will be established at the GIFT City by Gujarat Maritime University. The centre will provide international services such as mediation & arbitration, ship leasing and legal services in the maritime sector.

(Source: IBEF)

Agriculture and allied sector

• Gujarat accounts for the largest share in the total investments in the food processing sector of India. Cotton, groundnut, bajra, paddy, maize, jowar, sesamum, castor & tur. (pigeon pea), along with fodder & vegetables, are the major kharif crops of the state.

• Normal area under kharif cultivation is 8.6 Million hectares.

• In 2021, the government announced that farmers in all 18,000 villages in Gujarat will get power supply in the daytime for agriculture purposes by the end of 2022 and allocated ₹3,500 Crore (USD 482.08 Million) is allotted for 'Kisan Suryoday Yojna' (KSY).

Textile sector

• The textile industry contributes around 6% to the total industrial production in the state (organised sector).

• Gujarat is the largest producer of denim in India (65-70%) and the third-largest producer in the world.

• As per the Government of Gujarat's survey report, technical textiles are a key emerging area, with over 860 units in Gujarat.

• Surat is the largest manufacturing centre of silk fabric and produces over 40% of silk in the country.

Energy and petrochemicals

• Gujarat also has the most developed gas pipeline network in the country. Gujarat consists of 47% of total domestic gas connections in the country.

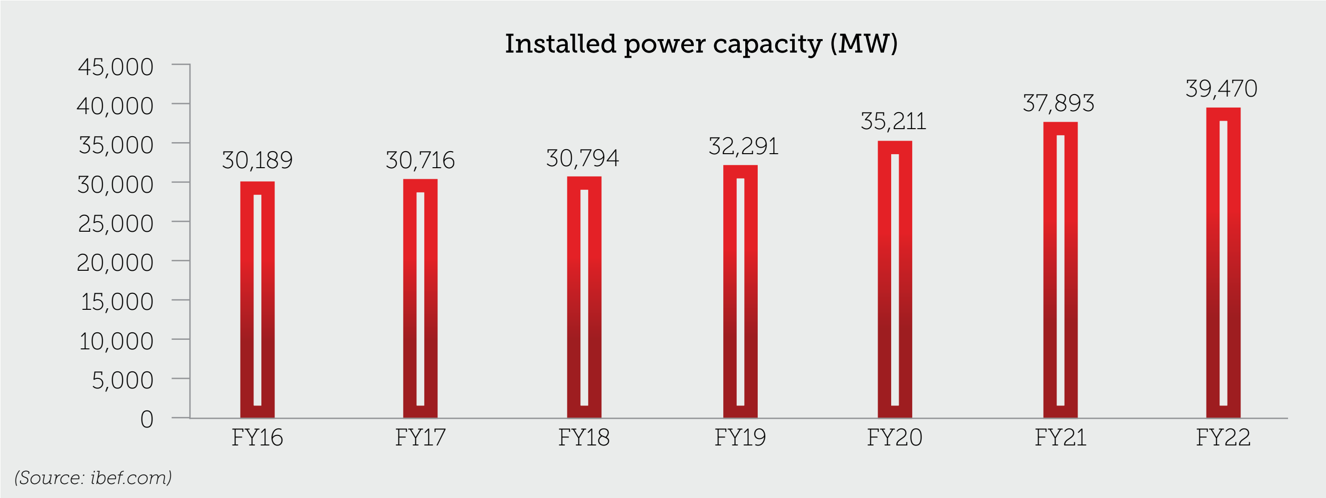
• Gujarat is known as India's chemicals and petrochemicals hub. The state has eight chemical clusters, 14 industrial estates and three SEZs, which are primarily dedicated to the chemicals and petrochemicals industry.

• Petroleum product exports from Gujarat stood at USD 7,065.72 Million in FY 2021-22.

• Exports of organic chemicals from Gujarat reached USD 2,801.35 Million in FY 2020-21and USD 820.36 Million in FY 2021-22.

• Investments of ₹2.2 Trillion (USD 30.49 Billion) are expected in Gujarat's renewable energy sector over the next decade.

• As of July 2021, Gujarat had a total installed power generation capacity of 39,470.25 MW, comprising 25,484.62 MW under private utilities, 8,445.91 MW (state utilities) and 5,539.72 MW (central utilities).



(Source: ibef.com)

Telecom

• According to the Telecom Regulatory Authority of India (TRAI), Gujarat had 70.0 Million wireless connections and 0.96 Million wireline subscribers, as of June 2021

Telecom infrastructure – (as of June 2021)

Wireless subscribers	70,002,527
Wire-line subscribers	955,370
Internet subscribers (as of March 2021)	50.55
Tele-density (in %) (as of March 2021)	99.18

(Source: IBEF)

Gems and jewellery

Gujarat accounts for around 72% of the world's share of processed diamonds and more than 80% of diamonds processed in India.

The state also accounts for 95% of diamonds exported from India.

About 90% of diamonds in Gujarat are processed by about 10,000 diamond units located in and around Surat.

Eight out of 10 diamonds in the world are polished in Surat. The state has the highest labour productivity in the jewellery sector, with major jewellery clusters at Ahmedabad, Surat and Rajkot.

Pharmaceuticals

The state accounts for 40% of the pharma machinery production of India.

About 75,000 people are employed in the pharmaceutical sector in Gujarat. It has the largest number of clinical research organisations in India and over 100 companies with WHO-compliant manufacturing units.

The landscape of the Gujarat biotechnology industry consists of more than 50 biotechnology companies and 66 support organisations.

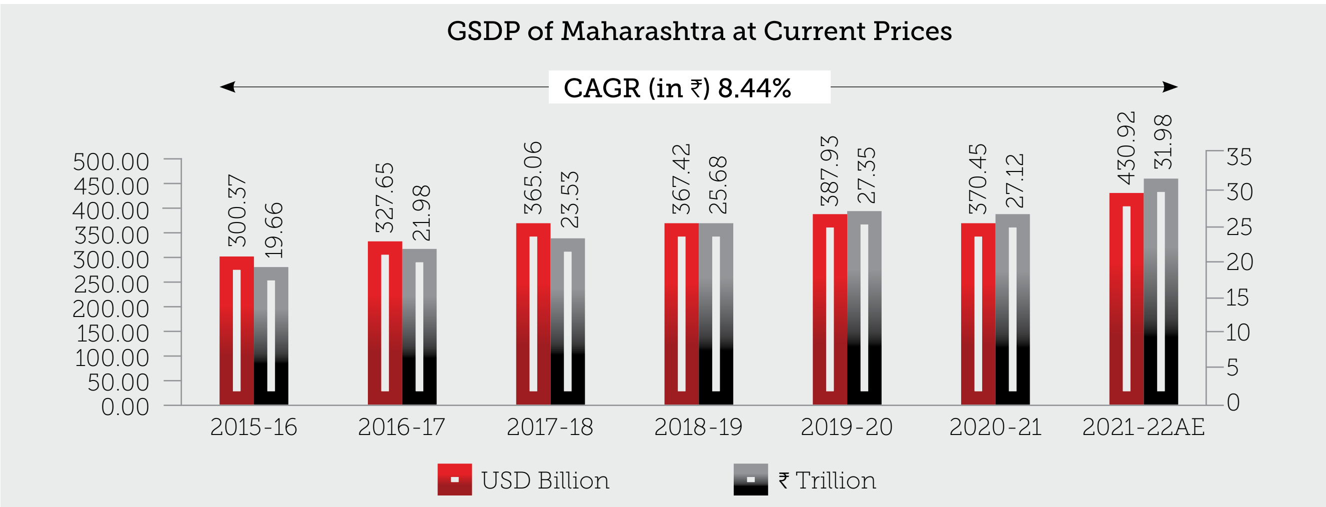
Gujarat holds the maximum number of patents among all Indian states, with 3,637 licensed units engaged in drug manufacturing.

Export of drug formulations from Gujarat reached USD 3,053.53 Million in 2019-20, USD 2,789.92 Million in FY 2020-21 and USD 593.68 Million in FY 2021-22.

(Source: IBEF)

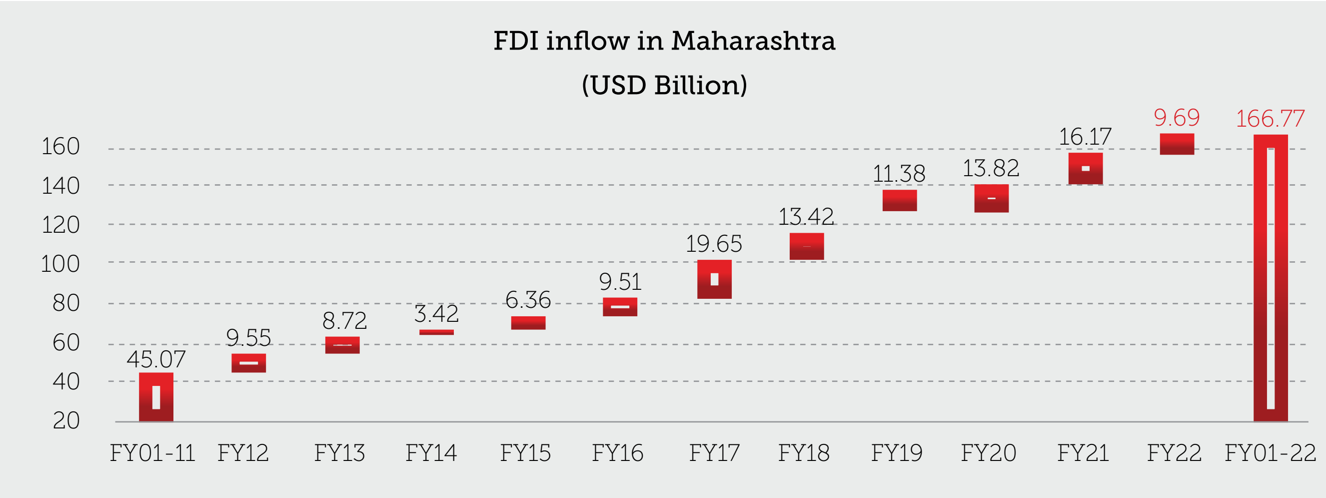
Industrial development in Maharashtra

Maharashtra's GSDP at current prices was ₹31.98 Trillion (USD 428.82 Billion) in 2021-22 compared to ₹26.6 Trillion GSDP of Maharashtra in FY 2020-21.



Maharashtra is the most industrialised state in India and has maintained the leading position in the industrial sector in the country. The state is a pioneer in small scale industries and boasts of the largest number of special export promotion zones. Various developments in industries, logistics, finance houses, tourism and infrastructure are undertaken in the city of Mumbai, which runs the economy engine of Maharashtra. FDI inflow in Maharashtra stood at USD 33,418.94 Million between October 2019-December 2021.

In 2021-22, Maharashtra allocated 17.2% of its education budget, which is higher than the average budget (15.8%) allocated by states to education (using 2020-21). ₹74,830 Crore (USD 10.18 Billion) has been allocated to the education, sports, arts and culture sectors.



Advantages

Trade and commerce hub: Maharashtra has emerged as a key hub for IT and ITeS, electronics and captive business outsourcing industries. The state's capital, Mumbai, is the commercial capital of India and has evolved into a global financial hub. The city is home to several global banking and financial service firms. Pune, another major city in the state, has emerged as the educational hub.

Developed infrastructure: The state has a well-developed social, physical and industrial infrastructure. Apart from two international and eight domestic airports, the state has two major and 48 minor ports. It also has a well-developed power supply grid.

Trained labour: Maharashtra has a literacy rate of 82.3% and is home to world-class educational and IT institutions. The State has a large base of skilled and industrial labour, making it an ideal destination for knowledge based and manufacturing sectors.

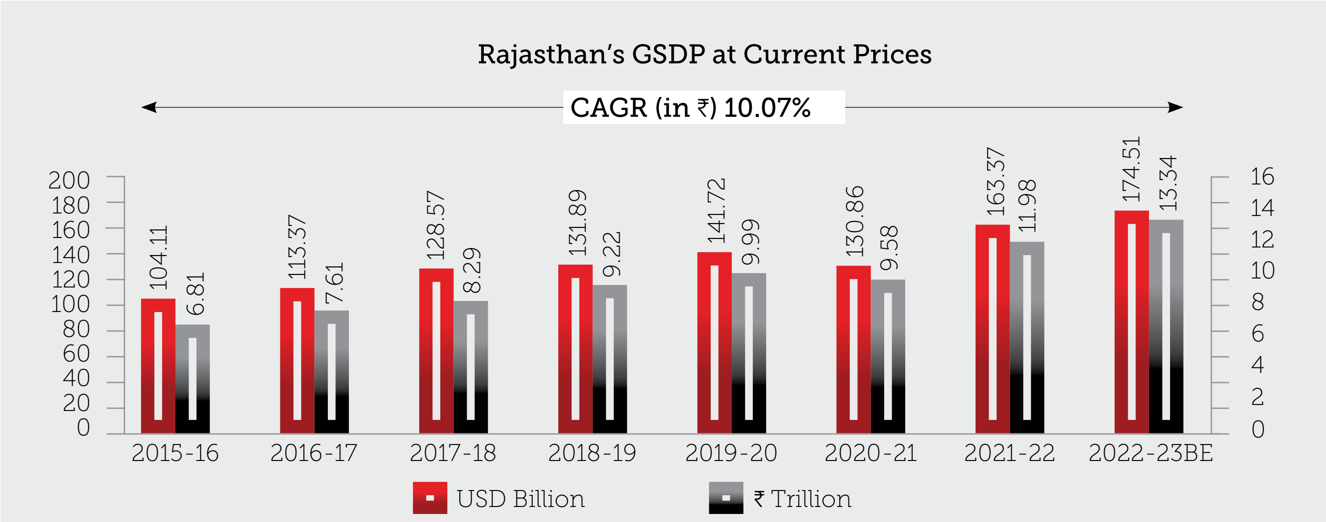
Policy incentives: The state government has implemented several policies to set up the right business climate. These policies motivate investments in into various sectors in the state, contributing to the overall economy.

(Source: ibef.com)

Key government policies and objectives

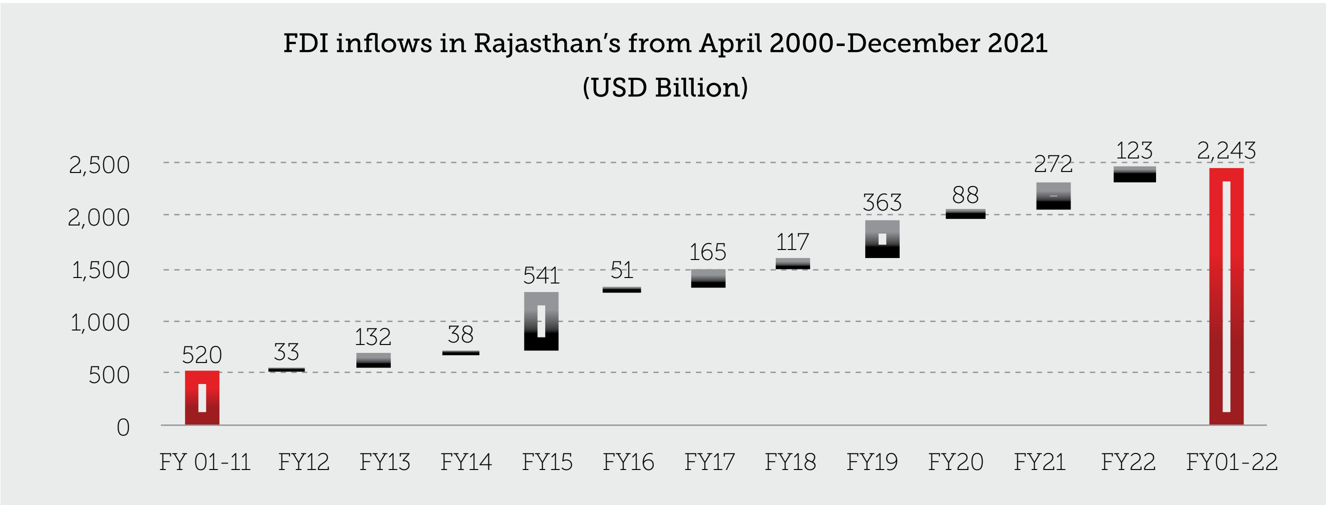
IT/ITes Policy 2015: To attract an investment of ₹50,000 Crore by the private IT parks and the IT / ITES / AVGC units in the State and to create new jobs for 1 Million persons and raise annual exports from IT/ITES/ AVGC sectors from the State up to ₹1,00,000 Crore.

Industrial development in Rajasthan



Rajasthan is the largest Indian state by area. The primary sector contributed 33.91% to Rajasthan's GSVA in 2020-21 and increased at 9.25% CAGR between 2011-12 and 2020-21. The secondary sector grew at a 5.18% CAGR in the same period; contributed 20.65% and the tertiary sector contributed 45.44% in 2020-21. Further, the state's Gross State Domestic Product (GSDP) is expected to increase at a CAGR of 10.07% between 2015-16 and 2022-23.

According to the Department for Promotion of Industry and Internal Trade (DPIIT), foreign direct investment (FDI) inflows in the State stood at USD 965.43 Million between October 2019 and December 2021.



Advantages

Abundant mineral resources: Rajasthan offers a variety of unexploited agricultural and mineral resources, which is indicative of the scope for value-addition and exports.

Location advantage: It borders six major states in the northern, western and central parts of India. Rajasthan is a natural corridor between the wealthy northern and the prosperous western states, making it an important trade and commerce centre.

Government initiatives: The Government has introduced sector-specific policies for tourism, biotechnology, IT and ITeS industries.

Infrastructure support: The state is developing sector specific infrastructure, such as special purpose industrial parks and special economic zones (SEZs) for exports of handicrafts, IT and electronic goods.

Talent pool: The state has been investing in capacity building through the development of a strong institutional network at all levels.

The state has renowned higher education institutions in various disciplines, producing thousands of skilled and proficient young individuals every year.

(Source: ibef.com)

Key government policies and objectives

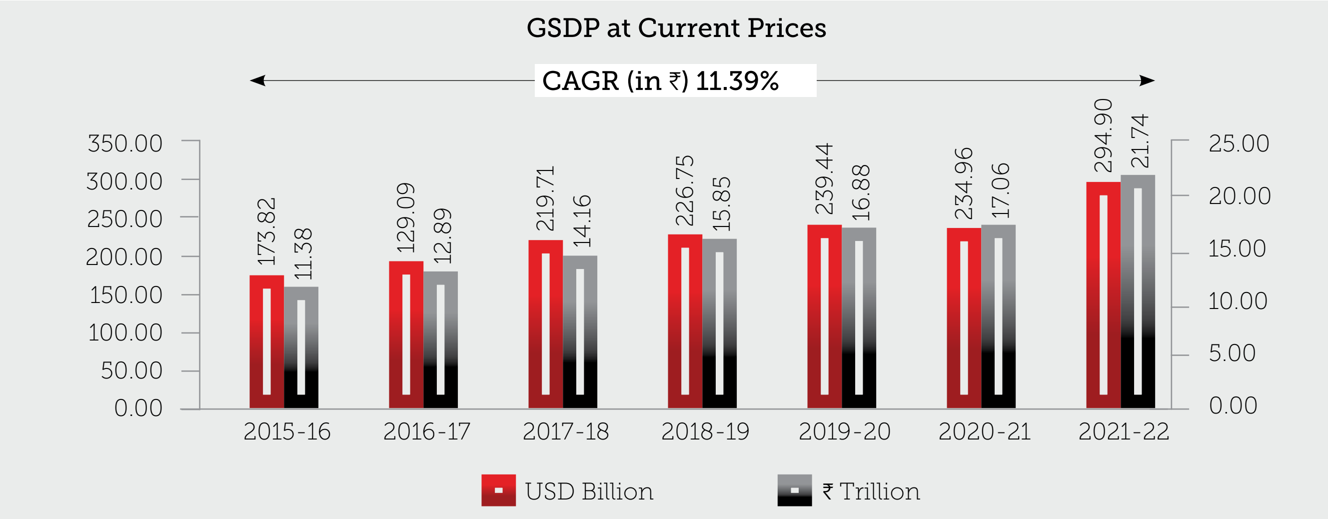
Film Tourism Promotion Policy 2022: This decision of the cabinet will encourage film shooting in the state. This will promote the preservation of art and culture along with creation of employment in various fields related to films, and through films, the tourist places of Rajasthan will be promoted in the country and the world.

Wind and Hybrid Energy Policy 2019: To establish Rajasthan as a National leader in wind energy in phased manner for promoting use of renewable energy in various application.

Industrial policy 2019: To develop and maintain industrial infrastructure and to offer competitive fiscal incentives.

Industry development in Uttar Pradesh

Uttar Pradesh is the most populous State (22.65 Crore) in India, with a large pool of skilled, semi-skilled and unskilled labour. Alternately, the population is also looked upon as the largest consumer base in the country with around 200 Million people. At current prices, the gross state domestic product (GSDP) of Uttar Pradesh stood at ₹21.74 Trillion (USD 294.90 Billion) in 2021-22.



In FY 2020-21, the tertiary sector contributed 48.9% to the GSVA of Uttar Pradesh. Primary sector accounted for 27.4% and secondary sector had a share of 23.6%. The tertiary sector was the fastest growing sector, recording a CAGR of 10.9% between FY 2011-12 and FY 2020-21.

Over the years, the State attracted FDI equity inflows worth:

Year	USD (Billion)
FY18	90
FY19	34
FY20	248
FY21	318

Advantages

Hub of IT/ITeS services: Uttar Pradesh has emerged as a key hub for IT & ITeS industries, including software, captive business process outsourcing (BPO) & electronics.

Semi-conductor hub: The state has become a hub for the semiconductor industry with several major players having their offices and R&D centres in Noida.

Infrastructure and connectivity: The state has a well-developed social, physical and industrial infrastructure. It also has good connectivity through 48 national highways, 6 airports & rail links to all major cities and has witnessed strong infrastructure growth in the recent years.

Rich labour: Uttar Pradesh has a large base of skilled labour, making it an ideal destination for knowledge-based sectors.

Policies: The State has well-drafted, sector specific policies for IT and biotech. The State ranked second in implementing the Business Reform Action Plan in 2019.

(Source: ibef.com)

Key government policies and objectives

Data centre policy 2021: To build Uttar Pradesh an investment target for the data centre industry by developing a 250 MW data centre with an investment of ₹20,000 Crore. It is Expected to launch at least 3 state-of-the-art private data centre parks in UP.

Mukhyamantri Matsya Sampada Yojna and Nishadraj Boat Subsidy Yojna 2022-23 : In the Budget 2022-23, an introductory provision of ₹4 Crore and announced by the state government to increase fish production in the state and improve the income of fishermen.

Start-up policy 2020: To establish a position in States' Startup Ranking conducted by GoI and to launch minimum 100 incubators by providing minimum one Million square feet of space for start-ups.

Electronics manufacturing policy 2020: Launched three Electronics Manufacturing Clusters (EMC) in the State, which will provide at 0.4 Million employment opportunities within the state.

Electric vehicle manufacturing policy 2019: To produce a greener environment, promotion and adoption of state EVs are necessary. This will develop a sustainable ecosystem for battery management, from production to disposal stage.

Opportunities and threats

Opportunities

Housing demand

Rising housing demand is a result of the pandemic's reinforcement of the security that owning a house affords over renting. Future housing demand will be influenced by several variables, including an anticipated full-fledged economic recovery, historically low mortgage rates, stagnating home prices and growing income levels.

Policy reforms

With various supportive schemes and support from the Government, the sector has been strengthened initiatives like Pradhan Mantri Aavas Yojana(PMAY).

Threats

Regulatory hurdles

Given how heavily regulated the real estate industry is, any unfavourable changes to the regulatory landscape and governmental policies may have a negative effect on the sector's performance. With relation to site acquisition, land usage, project launches, and construction approvals, there are significant procedural delays. Retrospective policy changes and regulatory roadblocks may influence profitability as well as the sectors and the firms operating inside its appeal.

Natural calamities

Natural calamities and unforeseen pandemic like Covid-19 can be a threat to this sector.

Company overview

A diversified construction company, PSP Projects Limited (hereinafter referred to as "PSP" or "the Company") provides construction and ancillary services for industrial, institutional, governmental, and residential projects in India. It offers its services to private and public sector businesses across the construction value chain from planning and design to building and post-construction operations, including MEP work and other interior fitouts. In August 2008, it was incorporated and since founding, the company completed 183 projects, and as of March 31, 2022, had an order book of ₹4,324 Crore. The Company has a strong presence in Gujarat and expanded its geographical footprint to other states such as Maharashtra, Karnataka, Uttar Pradesh, Rajasthan and Delhi.

Key strengths

Track record of timely project completion: The Company has a strong track record of timely project completion driven by large and multiple project management capabilities, active promoter involvement and enhanced competitiveness. The number of completed projects was 17 in FY 2021-22 compared to 19 in FY 2017-18. Moreover, the Company completed similar number of projects in FY 2020-21 compared to FY 2019-20 despite challenges presented by COVID-19 pandemic.

Project completed in a year	
FY18	19
FY19	21
FY20	23
FY21	23
FY22	17

Strong order book: The Company had a strong order book. The order book reached ₹4,324 Crore in FY 2021-22 from ₹2,559 Crore in FY 2017-18.

FY18	₹2,559 Crore
FY19	₹2,978 Crore
FY20	₹3,074 Crore
FY21	₹4,121 Crore
FY22	₹4,324 Crore

Long-standing relationships with customers: The company's priority is creating enduring connections with clients. By providing superior services, it forges strong ties with customers leading to recurring business.

One-stop solution: The Company is a one-stop solutions provider supporting different services for construction-related issues. Mechanical, engineering, and plumbing (MEP), interior, and operation and maintenance (O&M) services were added after it began as a civil construction operator. The company offers a range of services to clients, including design, construction, and fit-out.

Experienced team: The company's promoter has decades of expertise working in the construction sector. The executive team possesses extensive knowledge in a variety of fields, including finance, construction, and human resources. The company is run by an accomplished promoter who is backed by a group of professionals.

Strong financial performance: The company's ability to grow into new markets and services is aided by its solid financial performance. It has maintained a good profitability margin while posting strong growth in revenue and profit. Its position has been enhanced on account of outstanding financial performance.

COVID-19 impact

The COVID-19 pandemic continued to be a global challenge, disrupting the world. In the first three months of FY 2021-22, the second wave of the pandemic overwhelmed India's medical infrastructure.

The first half of FY 21-22 was challenging due to the second phase of the Covid-19 outbreak, which had an impact worse than the first. Although the year started with the second wave marked by a sharp rise in Covid-19 cases, the impact on day-to-day life as well business was relatively less than the first wave on account of well calibrated lockdown and successful vaccination drive. The economy saw a steady uptick from Q2FY 2021-22 onwards. Macro indicators such as GST collections, E-way bills, Index for Industrial Production (IIP), Core industries index amongst others continued to scale new highs. Real GDP growth in Q3 FY 2021-22 stood at 5.4% YoY on a positive base. Such favourable macro-economic factors, coupled with an accommodative stance adopted by the Reserve Bank of India (RBI), resulted in the highest amount of fresh investment announcements in the last 15 years. Furthermore, policy reforms like National Infrastructure Pipeline, Gati Shakti - National Master Plan, Production-Linked Incentive (PLI) scheme, amongst others, is likely to provide a strong impetus to public capital investments as well as domestic manufacturing. We believe India's immense consumption potential, underlined by favourable demographics, rising incomes, urbanisation and technological advancements, form the bedrock of long-term structural growth.

The company achieved a record turnover during the financial year 2021-22 despite the second wave of COVID-19. The Company was able to complete most projects within the timeline.

Category-wise performance

Industrial: Construction of industrial buildings for manufacturing and processing facilities, food processing plants, pharmaceutical plants, and engineering units is the company's focus. The company has extensive expertise in working on industrial projects that address the unique requirements of pharmaceutical producers. The company constructed manufacturing and processing facilities for clients like Torrent Pharmaceuticals Limited, Nirma Limited, Intas Pharmaceuticals Limited, Cadila Healthcare Limited, Claris Injectables Limited, KHS Machinery Private Limited, and Inductotherm (India) Private Limited.

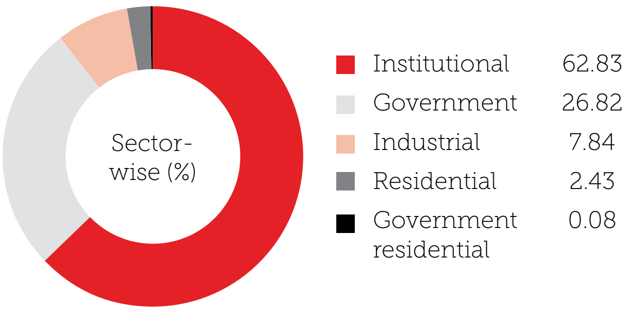
Institutional: Buildings for hospitals, healthcare facilities, educational institutions, shopping centres, hotels, and corporate offices are frequently included in the company's institutional projects. Construction of the Zydus Hospital, GCS Medical College, Hospital and Research Center (run by the Gujarat Cancer Society) and the CIMS Hospital are a few significant institutional projects undertaken by the company in the past.

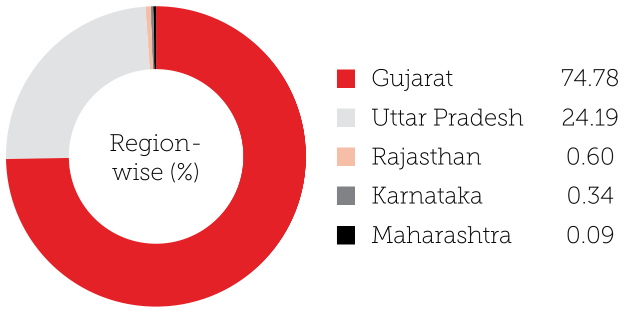
Government: The business concentrates on working on carefully chosen government projects that are challenging and prestigious. For instance, the business recently completed high-profile government projects including the construction and interior design of Gandhinagar's Swarnim Sankul 01 and 02, projects related to Ahmedabad's Sabarmati Riverfront Development project, and interior design for the ICEM Building.

Government residential: For a significant Gujarat-based public sector enterprise, the company completed, or is currently completing, several prestigious government residential projects, including the design-build of reasonably priced high-rise residential buildings and commercial units in Gujarat under the Mukhya Mantri GRUH Yojana.

Residential: Buildings for townships, group housing, and independent homes for private clients are frequently constructed as part of residential developments. The Company had completed 2 residential projects as of March 31, 2022.

Revenue break-up for FY 2021-22 (Standalone)





Outlook, FY 2022-23

The Company will keep focusing on commercial, residential, industrial and institutional construction work. It will improve its operational capability by keeping track of new construction technologies and adopting than. Customer relations and the optimisation of the project mix will be major areas of focus for the Company.

The Company will take more initiatives towards strengthening its customer-centric approach and improve the customer experience, while maintaining a strong relationship with customers. The Company will focus on winning large projects and addressing a mix of all sectors.

Establishing a diversified geographic presence by expanding outside of Gujarat will be a one of the priority. The human capital will be strengthened through new resources and capability building through knowledge and skill enhancement programs. Growth will be supported by a strong focus on the higher adoption of technologies, improved customer relationships, winning projects across sectors and geographies and talented manpower.

We are also driving growth by developing and focusing on manufacturing pre-cast concrete at our plant. Our company believes that using pre-cast concrete elements/ products will help us to increase our operating efficiency, eliminate the dependence on labourers, reduce safety concerns, allow faster delivery and better quality of work.

Standalone financial overview

	FY 2020-21	FY 2021-22	Variation %
Revenue from operations	1,24,086.24	1,74,875.88	40.93
Other income	1,692.09	2,125.54	25.62
Total income	1,25,778.33	1,77,001.42	40.72
Cost of construction material consumed	39,813.29	49,538.50	24.43
Changes in inventories of work-in-progress	(236.52)	457.22	293.52
Construction expenses	64,442.68	89,132.39	38.31
Employee benefits expense	5,089.37	7,233.92	42.14
Finance costs	1,469.12	2,639.62	79.67
Depreciation and amortisation expense	2,563.76	3,205.28	25.02
Other expenses	1,496.09	2,862.63	91.34
Total expenses	1,14,637.79	1,55,070.06	35.27
Profit before exceptional item and tax	11,140.54	21,931.36	96.86

Revenue from operations

During the year ended March 31, 2022, on a Standalone basis, your Company registered revenues from operations of ₹1,74,875.88 Lakhs as against ₹1,24,086.24 Lakhs in FY 2020-21, an increase of 40.93%, mainly on account of an increase in construction activities post recovery from the COVID-19 pandemic.

Other income

Other income for the year ended March 31, 2022, stood at ₹2,125.54 Lakhs as compared to ₹1,692.09 Lakhs in FY 2020-21, an increase of 25.62 %. It primarily constitutes interest income on fixed deposits, interest income from Subsidiary & Joint venture, Dividend income, Interest on mobilisation advance and other net gains.

Cost and expenses

Cost of Construction Material Consumed and Changes in Inventories of Finished Goods, Work-in-Progress

There was an increase of 24.43 % in the cost of construction material consumed in accordance with an increase in revenue from operations and a decrease of 293.52% in the changes in inventories of Finished Goods and Work-in-Progress because of a subsequent recognition of expenses.

Employee benefit expenses

The employee benefit expenses for FY 2021-22 were ₹7,233.92 Lakhs, an increase from ₹5,089.37 Lakhs in FY 2020-21. The increase was due to an increase in headcount and managerial remuneration.

Other expenses

Other expenses increased by 91.34 % in FY 2021-22 compared to the previous financial year, mainly due to increase in the insurance premium, provision for expected credit loss and charges for the Bhiwandi Project expenses. The other expenses mainly comprised rent, rates and taxes, insurance, repairs and maintenance, traveling and conveyance, legal & professional expenses, donation etc.

Depreciation

Depreciation was ₹3,205.28 Lakhs in FY 2021-22 compared to ₹2,563.76 Lakhs in FY 2020-21, an increase of 25.02 % from the previous financial year. The increase was mainly due to the purchase of property, plant, equipment and intangible assets during the year.

Finance costs

Significant increase in finance cost by 79.67% in FY 2021-22 as compared to the previous financial year was due to an increase in interest on term loans, working capital loans, mobilisation advance, increase in bank guarantee charges and other borrowing costs. The finance cost comprised interest on term loans, working capital loan, interest on mobilisation advances, bank guarantee charges and other borrowing costs.

EBIDTA margins

The EBIDTA margin stood at 14.67 % in FY 2021-22 compared to 10.86 % in FY 2020-21.

Tax expenses

Tax expense in FY 2021-22 was ₹5,690.94 Lakhs compared to ₹2,787.39 Lakhs in FY 2020-21. The increase was in accordance with an increase in revenue from operations.

Profit after Tax

During the year under review, the profit after tax stood at ₹16,2430.43 Lakhs, an increase of 101.02 % over FY 2020-21, mainly in accordance with an increase in revenue from operations.

Net Worth

The net worth of the Company increased from ₹53,799.27 Lakhs as on March 31, 2021 to ₹68,471.52 Lakhs as on March 31, 2022, an increase of 27%. The increase was mainly due to profit made during FY 2021-22.

Consolidated financial overview

Revenue from operations

Revenue from operations increased to ₹1,74,806.33 Lakhs in FY 2021-22 compared to ₹1,24,086.24 Lakhs in FY 2020-21 . This was mainly on account of increase in construction activities post recovery from COVID-19.

Cost and expenses

The cost of construction material consumed and changes in the inventories of finished, goods, and work-in-progress increased by 24.43% and 251.64% in FY 2021-22 compared to FY 2020-21 respectively, in line with an increase in revenue from operations.

Employee benefit expenses

The employee benefit expenses increased to ₹7,233.92 Lakhs in FY 2021-22 from ₹5,089.71 Lakhs in FY 2020-21 due to an increase in headcount and managerial remuneration during the year.

Profit after tax

The profit after tax increased to ₹16,627.47 Lakhs in FY 2021-22 from 8,336.57 Lakhs in FY 2020-21 mainly in accordance with an increase in revenue from operations.

Net worth

The net worth increased from ₹53,589.95 Lakhs as on March 31, 2021, to ₹68,695.93 Lakhs as on March 31, 2022, an increase of 28.19% due to profits made during FY22.

Total borrowings

The total borrowings of the Group increased from ₹8,386.74 Lakhs as on March 31, 2021, to ₹9,965.69 Lakhs as on March 31, 2022

Key Financial Ratios (Standalone)

Sr. No.	Ratios	Numerator	Denominator	FY 2021-22	FY 2020-21	(%) Change	Reason for Variance
1	Current ratio (times)	Current Assets	Current Liabilities	1.45	1.54	(5.84%)	
2	Debt equity ratio (times)	Total Borrowings	Total Equity	0.15	0.15	0.00%	
3	Debt service coverage ratio (times)	Earnings for debt service (i)	Debt service (ii)	24.84	41.83	(40.62%)	Decrease mainly on account of increase in term loan for precast plant & machinery.
4	Return on equity ratio (%)	Net Profit After Tax	Average Total Equity	26.56%	16.24%	63.55%	Increase mainly on account of improvement in profitability
5	Inventory turnover ratio (times)	Cost of Goods Sold	Average Inventory	5.89	4.25	38.59%	Increase mainly on account of increase in Revenue from Operations which lead to increase in cost of goods sold
6	Trade receivable turnover ratio (times)	Revenue from Operations	Average Trade Receivables	6.55	5.56	17.81%	
7	Trade payables turnover ratio (times)	Cost of Goods Sold+Construction Expenses	Average Trade Payable	5.41	4.43	22.12%	
8	Net capital turnover ratio (times)	Revenue from Operations	Average Working Capital	7.02	5.68	23.59%	
9	Net profit ratio (%)	Net Profit After Tax	Revenue from Operations	9.29%	6.51%	42.70%	Increase mainly on account of improvement in profitability
10	Return on capital employed (%)	Earning Before Interest & Taxes	Average Capital Employed (Total Equity + Long term Borrowings)	36.12%	21.79%	65.76%	Increase mainly on account of improvement in profitability.
11	Return on investment (%)	Interest income on Fixed Deposits	Average Investment in Fixed Deposits	4.59%	5.97%	(23.12%)	
12	EBITDA/turnover	Earning Before Interest, Tax, Depreciation and Amortisation	Turnover	0.15	0.11	36.36%	Increase mainly on account of improvement in profitability.
13	Interest coverage ratio	Earning Before Interest & Taxes	Interest Cost	12.48	10.89	14.60%	
14	Operating profit margin (%)	Earning Before Interest & Taxes	Revenue from Operation	12.84%	8.80%	45.91%	Increase mainly on account of improvement in profitability.

(i) Earning for Debt Service = Net Profit after tax+ Non-cash operating expenses (depreciation and amortisation, ECL, Provision for Loss on Loan)+ Interest on Term Loan+ other adjustments like Loss on write off/sale of property, plant and equipment, Reversal of Impairment of Loan, Provision for Loss on Impairment of Investment

(ii) Debt Services = Interest on Term Loan + Principal Repayment of Long Term Borrowings during the year

Risk and mitigation

Economic risk

The company's business operations and performance might be negatively impacted by the economic slowdown.

Mitigation: The Company periodically evaluates the economic environment to identify any prominent economic and construction market downturn. Early evaluation enables the company to take the essential steps before an economic slowdown begins. Its dependence on any segment or area is reduced by the broad offers and global presence, which also lessens the effects of slowdown.

Competition risk

Increasing competition could lead to a reduction in the number of projects awarded.

Mitigation: The company can get new contracts due to its extensive expertise, strong brand recall in the industry and relationships with clients and other government agencies.

Competence risk

The Company's image might suffer if timely and high-quality construction cannot be delivered.

Mitigation: The Company has substantial expertise in the construction industry and gains fresh insights from new projects. This enables the company to identify problems and take preventive measures to ensure on-time delivery.

Currency risk

Due to the loans given to its overseas subsidiary, the company is subject to currency risk to a certain level. The company's earnings might be negatively impacted by the forex market volatility.

Mitigation: To mitigate the risk of currency volatility, steps like hedging are taken as and when necessary.

Financing risk

Lower debt servicing capacity and higher finance costs may have an influence on the company's success.

Mitigation: Because of its good working capital strategy, prompt debtor management, healthy profitability margin, and consistent cash flow, the company can handle its current debt.

Human resource risk

The success of the company might be impacted by the failure to attract and retain competent personnel and labour.

Mitigation: The Company has a solid HR policy that aims to recruit the finest personnel and retain them by offering for continuous learning, a positive work environment and personal growth.

Technology risks

The growth might be impacted by a failure to keep up with new technologies.

Mitigation: The Company makes significant advancements in the safety, effectiveness, and productivity of large-scale construction projects via the application of cutting-edge construction technologies. Utilising cutting-edge technology enables the Company to offer construction of improved quality at a low cost.

A cyberattack might get impair the IT system and leak data.

Mitigation: The Company has a robust security system that is backed using technology, procedures and controls to defend systems, networks, programmes, devices and data against cyber-attacks. To avoid cyberattacks, the Company has implemented cyber security measures, including a password strength policy, proper precautions when inputting passwords, email and browser security, etc.

Human resource management

PSP believes that employees are the strength of the organisation. It has established a well-defined HR policy to drive the employees to perform on the organisational vision by providing talent development, and constantly improving on employee engagement. During the unprecedented COVID-19 situation in FY 2021-22, the Company focused on the safety and wellbeing of its employees and workers across its Head office and sites by taking a proper health and hygiene approach. Strengthening its HR processes and practices helped the Company to perform the expanded set of rolls for its employees and workers. With the adoption of SAP technology, the Company has achieved automation for most of its HR processes and practices such as hiring employees, segregating employees based on various factors such as department level, payment days, payment details etc. leading to increase in its efficiency and response time of HR function. Most of the employee records are now being digitally maintained. Learning is an important part of its talent development initiative. Training programs are organised for the productivity improvement of the new recruits through various formats, including instructor led training, e-learning, and on-the-job simulations within the first week of joining. The Company provides a healthy work environment and maintains dialogue with every person to sustain employee engagement.

The Company encourages employee participation in various socio-economic activities to help the less privileged. As on March 31, 2022, employee strength of the Company stood at 1345. The Company believes in the importance of better management of industrial relations for achieving the organisational goal.

The Company ensures that employees' right to join a union is respected and that no worker is subject to any form of discrimination because of their status as a union member or otherwise. It also complies with the regulations that govern industrial relations. The industrial relations of the Company in FY 2021-22 were amicable.

Information technology

The Company's technology backbone has been more than just an enabler; it has become the symbol of a modern corporate mindset. The System Application and Products (SAP) system adopted by the Company provides the timely sharing of details of construction work with the management, improving project visibility.

The SAP HANA database management system developed by SAP SE installed by the Company allows a real-time data processing to analyse business operations. The SAP HANA database system helps the Company to develop intelligent and live solutions for quick decision-making on a single data copy and support next-generation transactional processing with advanced analytics. Work assessment utilising this technology enhances ability to shift plans or keep the existing plans in place.

The strengthened security measures adopted by the Company in the backdrop of heightened cybersecurity risks globally has enabled it to keep data safe from security threats. The Company will continue to invest in building security over cyberattacks. The Company's auditors conducted the Company's IT General Controls (ITGC) audit and found the controls to be satisfactory. The Company is using a web and mobile based NCR Management Tool to seamlessly track progress of NCRs and provides accurate quality assurance at all its sites.

The Company implemented an inventory management software to track and trace the assets at project sites on a real-time basis leading to improved asset utilisation at site by proper allocation. The adoption of a GPS-based vehicle tracking system helps the Company locate and monitor vehicles efficiently.

Internal control and its adequacy

Internal financial controls mean the policies and procedures adopted by the Company to ensure the following:

• Orderly and efficient conduct of its business, including adherence to Company's policies,

• Safeguarding of assets

• Prevention and detection of frauds and errors

• Accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.

The Company has a well-placed, proper and adequate internal control system, which ensures that all assets are safeguarded and protected and that the transactions are authorised, recorded and reported correctly. The Company's internal financial control framework is commensurate with the size and operations of the business and is in line with requirements of the Companies Act, 2013.

The management approved, adopted and implemented policy documents/standard operating procedures which assists the various departments of the Company in ensuring accountability, accuracy, controls and transparency within the organisation.

The internal audit plan was approved by Audit Committee in the first meeting of each financial year. The Audit Plan includes a combination of audit of internal control systems and operational audits. Audit of internal control system focuses on the adequacy of internal controls in the Company and the reporting system in various functional areas like purchase, sales, accounts, human resource, admin, contracts and other departments.

The Company does not have a separate internal audit department, but the internal auditor conducts internal audit on quarterly basis with the support of the process owners and reports summary of key issues and response from the process owners along with action taken report on the issues highlighted in the previous report to the Audit committee. The Audit committee reviews the audit observations, management responses to the same and suggests corrective actions, if necessary. It maintains a constant dialog with the auditors to ensure that internal control systems are operating effectively.

Cautionary statement

The Management Discussion and Analysis report, containing your Company's objectives, projections, estimates and expectations, may constitute certain statements, which are forward-looking within the meaning of applicable laws and regulations. The statements in this Management Discussion and Analysis Report could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operation include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in the governmental regulations, tax regimes, economic developments within India and globally and other incidental factors.

Board's Report

Dear Members,

Your Directors have the pleasure in presenting the Fourteenth (14th) Board's Report on the business and operations of your Company ('PSP Projects Limited' or 'PSP Projects' or 'the Company'), together with the Audited Standalone and Consolidated Financial Statements for the financial year ended March 31, 2022.

1. Financial Highlights

The standalone and consolidated performance for the financial year ended March 31, 2022 is as under:

(₹ in Lakhs, except per equity share data)

Particulars	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Revenue from operations	1,74,875.88	1,24,086.24	1,74,806.33	1,24,086.24
Other income (net)	2,125.54	1,692.09	2,171.64	1,665.78
Total Income (A)	**1,77,001.42**	**1,25,778.33**	**1,76,977.97**	**1,25,752.02**
Cost of Construction Material Consumed	49,538.50	39,813.29	49,539.08	39,813.29
Changes in Inventories of Finished Goods and Work-In-Progress	457.72	(236.52)	358.67	(236.52)
Construction Expenses	89,132.40	64,442.68	89,161.31	64,442.86
Employee Benefits Expense	7,233.92	5,089.37	7,233.92	5,089.71
Finance Costs	2,639.62	1,469.12	2,648.89	1,500.79
Depreciation and amortization expense	3,205.28	2,563.76	3,205.28	2,563.76
Other Expenses	2,862.63	1,496.09	2,669.44	1,483.23
Total Expenses (B)	**1,55,070.07**	**1,14,637.79**	**1,54,816.59**	**1,14,657.12**
Profit/ (Loss) Before tax (PBT) (A-B) = (C)	**21,931.35**	**11,140.54**	**22,161.38**	**11,094.90**
Exceptional Gain/ (Loss) (Net of tax) (D)	**0.00**	**(274.11)**	**0.00**	**0.00**
Profit/ (Loss) Before tax and after Exceptional item (C-D)	**21,931.35**	**10,866.43**	**22,161.38**	**11,094.90**
Less: Total Tax Expense	5,690.93	2787.39	5,533.91	2,758.33
Net Profit After Tax (PAT) before share in profit/ (loss) of joint venture	**16,240.42**	**8,079.04**	**16,627.47**	**8,336.57**
Share of Profit/(Loss) from JV	-	-	37.76	(241.94)
Other Comprehensive Income	(128.18)	9.22	(119.25)	9.78
Total Comprehensive Income	**16,112.24**	**8,088.26**	**16,545.98**	**8,104.41**
Paid up Equity share capital –Face value ₹10/- each	**3,600.00**	**3,600.00**	**3,600.00**	**3,600.00**
Other Equity excluding Revaluation Reserves	**64,871.52**	**50,199.27**	**65,095.93**	**49,989.95**
Earnings per share (₹10/- each)				
a) Basic	45.11	22.44	46.29	22.65
b) Diluted	45.11	22.44	46.29	22.65

Figures relating to previous year have been regrouped/ rearranged, wherever necessary to make them comparable to current period's figures.

2. Financial Performance Review

a) Summary of Standalone Financial Performance

(₹ in Lakhs)

Particulars	2021-22	2020-21	YOY growth (%)
Revenue from operations	1,74,875.88	1,24,086.24	41%
Total Operating Expenses	1,49,225.17	1,10,604.91	35%
EBITDA	25,650.71	13,481.33	90%
EBITDA Margin (%)	14.67%	10.86%	-
Profit Before Tax and after Exceptional Item	21,931.35	10,866.43	102%
Profit After Tax	16,112.24	8,088.26	99%
PAT Margin (%)	9.10%	6.43%	-

b) **Summary of Consolidated Financial Performance**

(₹ in Lakhs)

Particulars	2021-22	2020-21	YOY growth (%)
Revenue from operations	1,74,806.33	1,24,086.24	41%
Total Operating Expenses	1,48,962.42	1,10,592.57	35%
EBITDA	25,843.91	13,493.67	92%
EBITDA Margin (%)	14.78%	10.87%	-
Profit Before Tax	22,161.38	11,094.90	100%
Profit After Tax	16,545.98	8,104.41	104%
PAT Margin (%)	9.35%	6.44%	-

Overall, the standalone financials are almost identical to the consolidated financials as the impact of consolidation of subsidiaries results with standalone results is insignificant.

3. Operational Performance Review

During the year under review, your company received new work orders worth ₹1802.23 Crores.

The major/ prestigious projects awarded during the year includes the following:

- Construction of Sports Complex under Khelo India Scheme at Ahmedabad, Gujarat worth ₹503.56 Crores.
- Construction of Residential Buildings of PAC Mahila Battalion at Badaun, UP worth ₹238.70 Crores.
- Construction of Steel Plant for Arcelor Mittal Nippon Steel India Limited (AMNS) in Hajira, Gujarat worth ₹257.46 Crores.
- Additional work for beautification of Mr. Kashi Vishwanath Dham Temple, UP worth ₹59.00 Crores.
- Supply and execution of E & M work for Gujarat Metro Stations at Surat, Gujarat worth ₹49.57 Crores.

Your company had successfully completed 183 projects till March 31, 2022, out of which 17 projects were completed during the financial year 2021-22.

The Major projects completed during the year includes Nestle Factory at Sanand, Construction of Student Activity Centre at Ahmedabad University, Construction of Dairy project in Karnataka, Construction of Hospital in Udaipur, Rajasthan, work of Interior fit-out of 300 rooms at Hotel Leela at Gandhinagar, Zydus Hospital at Baroda and AUDA Library at Ahmedabad.

As of March 31, 2022, the value of work on hand stands at ₹4,324 Crores, including 43 projects under execution spread over Gujarat, Uttar Pradesh, Maharashtra and Rajasthan. The category wise and geographical wise breakup of the order book is as under:

Category wise Break up

Category	% of order book
Institutional	13.79%
Government residential	22.37%
Government	45.53%
Industrial	6.77%
Residential	10.52%
Precast	1.02%

Geographical Break up

Category	% of order book
Gujarat	37.38%
Maharashtra	16.85%
Uttar Pradesh	45.41%
Rajasthan	0.36%

During the year under review, your company has completed the building construction work of Preacst Manufacturing Plant at Sanand, Gujarat and the same was commissioned in December, 2021. The annual production capacity of the plant is expected to be 3 Mn. square feet once fully operational, however initially your company is to set up the plant with a production capacity of 1 Mn Square Feet as Phase-I. Till March 31, 2022, your company has incurred a total capital expenditure of ₹109.11 Cores towards the precast plant. Total Order inflow and revenue booked from the precast division during the year under review was ₹59.38 Crores and ₹15 Crores respectively.

4. COVID-19 Pandemic

The COVID-19 pandemic, continued to be a global challenge, creating disruption across the world. In the first three months of FY 2022, the second wave of the pandemic overwhelmed India's medical infrastructure.

The first half of FY 21-22 was challenging due to the second wave of the Covid-19 outbreak, which had an impact worse than the first. Although the year started with the second wave marked by sharp rise in Covid-19 cases, however the impact on day-to-day life as well business was relatively lesser than the first wave on account of well calibrated lockdown and successful vaccination drive. The economy saw a steady uptick from Q2FY22 onwards. Macro indicators such as GST collections, E-way bills, Index for Industrial Production (IIP), Core industries index amongst others continued to scale new highs. Real GDP growth in Q3 FY22 stood at 5.4% YoY on a positive base. Such favourable macro-economic factors coupled with an accommodative stance adopted by the Reserve Bank of India (RBI) resulted in highest amount of fresh investment announcements seen in last 15 years. Furthermore, policy reforms like National Infrastructure Pipeline, Gati Shakti - National Master Plan, Production-Linked Incentive (PLI) scheme, amongst others, is likely to provide a strong impetus to public capital investments as well as domestic manufacturing. Moreover, we believe India's immense consumption potential underlined by favourable demographics, rising incomes, urbanisation and technological advancements form the bedrock of long-term structural growth.

Your directors are pleased to inform that the company has achieved a record turnover during the financial year 2021-22 despite of second wave of COVID-19. The Company was able to complete majority of its projects within the due timeline as per requirements of its clients.

5. Awards and Recognitions

During the period under review, your company was felicitated with an award for Second (2nd) Fastest Growing Construction Company in Small Category in India for the third consecutive year at the 19th Construction World Global Awards, 2021. Your company was also felicitated with an award of "Construction World - Stalwarts of the West, Gujarat" for its Contribution towards Strengthening the Built Environment at the CW Design Build Conclave & Awards. The Zydus Sitapur Hospital Project was felicitated as 'Institutional Project of the Year' at the 13th Realty Plus Conclave & Excellence Awards 2021-Gujarat Edition.

6. Quality, Environment, Health and Safety

Your company's continual commitment to safety, health, environment and quality management is achieved through implementation of an integrated management system in accordance with ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018. Your company is conscious of its responsibility for creating, maintaining and ensuring safe and clean environment, reduce health and safety hazards through application of safety-oriented technology and safe work practices for sustainable development.

During the period under review, your company was extra careful towards the safety and health of its employees at office and workers at project sites and adopted necessary social distancing and safety guidelines at all its sites and office to minimise the adverse impact during second wave of Covid-19.

7. Change in the nature of business, if any

Your directors are pleased to inform that your company has commenced the business of manufacturing of Precast Concrete, which falls under the existing segment of the Company i.e. Construction with the capital expenditure of ₹109.11 Crores for its Precast factory.

8. Material changes and commitments if any affecting the financial position of the company occurred between the end of financial year to which this financial statements relate and date of the report

There have been no material changes and commitments, which affects the financial position of your Company, that have occurred between the end of the financial year to which the financial statements relate and the date of this report. The details of status of court cases is given below:

In Miscellaneous Civil Application No. 239 of 2021, the Company claimed an order of Injunction under Section 9 of the Arbitration and Conciliation Act, 1996 to prevent encashing and invoking of the Bank Guarantee of ₹673 Lakhs issued for our housing project under PMAY at Bhiwandi, Maharashtra in the proceeding before the Hon'ble District Court of Thane. The Hon'ble District Court by its order dated March 25, 2022, rejected our claim by its order dated March 25, 2022. The Company has challenged the aforesaid order and filed Commercial Arbitration Appeal No. (L) 8341 of 2022 seeking interim measures under Section 9 of the Arbitration and Conciliation Act, 1996 and the matter is sub judice.

In the CD Arbitration Petition No. 89 of 2021 against Bhiwandi and Nizampur City Municipal Corporation ("BNMC"), the company sought to appoint an arbitrator to adjudicate the disputes and differences between the parties under section 11 of the Arbitration and Conciliation Act, 1996 and the matter is sub judice.

9. Dividend

Your directors are pleased to recommend a dividend of ₹5/- (50%) per equity share of face value of ₹ 10/- each for the financial year ended March 31, 2022 payable to those shareholders whose names appear in Register of Members as on book closure/record date.

As per the prevailing provisions of the Income Tax Act, 1961, the dividend, if declared, will be taxable in the hands of the shareholders at the applicable rates. For details, shareholders are requested to refer to the Notice of Annual General Meeting.

The dividend pay-out is in accordance with the Company's Dividend Distribution Policy, which is available on the website of the company at https://www.pspprojects.com/wp-content/uploads/2022/06/Dividend-Distribution-Policy_2022.pdf.

a) Unpaid/Unclaimed Dividend

The details of total amount lying in the Unpaid Dividend Account of the company as on March 31, 2022 are as under:

Dividend for the Financial Year	Amount of Unpaid/ Unclaimed Dividend as on	Amount of Unpaid/Unclaimed Dividend (in ₹ in Lakhs)
2020-21	March 31, 2022	0.31
2019-20	March 31, 2022	0.66
2018-19	March 31, 2022	0.47
2017-18	March 31, 2022	0.57
2016-17	March 31, 2022	0.15

The Statement containing the names, last known addresses, amount of dividend to be paid to the members, due date of transfer to the fund and the details of Nodal Officer as per IEPF Rules are available on the website of the company at: https://www.pspprojects.com/track-record-of-dividend/.

The Shareholders are therefore encouraged to verify their records and claim their dividends, if not claimed.

b) Transfer of unclaimed dividend to Investor Education and Protection Fund

In accordance with provisions of sub-section (5) and (6) of section 124 of the Companies Act, 2013 ("the Act"), any money transferred to the Unpaid Dividend Account of a company and all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the company to Investor Education and Protection Fund ("IEPF") along with a statement containing such details as may be prescribed. Since the statutory period of seven years has yet not been completed for transfer of unclaimed and unpaid dividend, the provision of Section 125 of the Act are not applicable to your company and hence the details required under that Section have not been provided.

10. Appropriations

a) Transfer to Reserves

The Board of Directors of your company, have decided not to transfer any amount to the Reserves for the year under review.

b) Public Deposits

During the year under review, your Company has not accepted any deposits from public or member of the Company under Chapter V of the Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014. Thus, no amount on account of principal or interest on deposits from public was outstanding as on March 31, 2022.

11. Credit Rating

The details of ratings assigned/reaffirmed by the CARE Ratings Limited during the year under review for your company's Long term/Short term bank facilities are as under:

Facilities	Amount (₹ in Lakhs)	Rating	Rating Action
Long-term Bank Facilities	14,500.00	CARE A+; Stable [Single A Plus; Outlook: Stable]	Reaffirmed
Long Term / Short Term Bank Facilities	96,000.00	CARE A+; Stable / CARE A1+ (Single A Plus; Outlook: Stable / A One Plus)	Reaffirmed
Short Term Bank Facilities	4,200.00	CARE A1+ (A One Plus)	Assigned
Total Facilities	1,14,700.00 [Rupees One Lakhs Fourteen Thousand Seven Hundred Lakhs Only]		

12. Share Capital

There was no change in the share capital structure of your company during the year under review.

As on March 31, 2022, the Authorized Share Capital of the company stood at ₹50,00,00,000/- representing 5,00,00,000 equity shares of face value of ₹10/- each and the paid up share capital stood at ₹36,00,00,000/- representing 3,60,00,000 equity shares of face value of ₹10/- each.

As on March 31, 2022, 100% of your Company's total paid up capital representing 3,60,00,000 equity shares were in dematerialized form.

During the year under review, your company has not issued any shares with differential voting rights or any sweat shares or any shares under Employees Stock Option scheme and hence no information for the same has been furnished.

13. Performance of Subsidiaries/Joint Venture

The Company has two subsidiaries and one joint venture as on March 31, 2022. There is no associate company that falls within the meaning of Section 2(6) of the Companies Act, 2013. There has been no material change in the nature of the business of the subsidiaries and Joint Venture. Further, during the year under review, PSP Projects INC ceased to be the subsidiary as your Company sold its entire stake in PSP Projects INC in the Q3FY22.

The summary of performance of the subsidiaries and joint venture is as under:

PSP Projects & Proactive Constructions Private Limited

PSP Projects & Proactive Constructions Private Limited is a wholly owned subsidiary of the company and as on March 31, 2022, there was no revenue from operations of PSP Projects & Proactive Constructions Private Limited and it incurred a net loss of ₹30.58 Lakhs.

PSP Foundation

PSP Foundation was incorporated as a wholly owned subsidiary under section 8 of the Act to promote and support CSR activities of your company. Your Company holds 100% shares in PSP Foundation with one nominee shareholder holding one share on behalf of the company. PSP Foundation has not materially started its operations during the period under review.

GDCL & PSP Joint Venture

As on March 31, 2022, GDCL & PSP Joint Venture has generated a total revenue of ₹289.65 Lakhs against ₹830.97 Lakhs in FY 2020-21 and earned a Profit after Tax of ₹68.40 Lakhs against a loss of ₹94.46 Lakhs in FY 2020-21.

Pursuant to the provisions of Section 129(3) of the Act, a statement containing the salient features of financial statements of the Company's subsidiaries and Joint venture in Form No. AOC-1, which forms part of the Consolidated Financial Statements.

Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate financial statements in respect of subsidiaries, are available on the website of your Company at https://www.pspprojects.com/financial-performance/ and are available for inspection by the members during working hours at the Registered office of the company.

As on March 31, 2022, your Company does not have any material subsidiary pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Policy for determining material subsidiaries is available on the website of the company at https://www.pspprojects.com/wp-content/uploads/2017/10/Policy-on-Material-Subsidiary-April-2019.pdf

14. Annual Return

Pursuant to Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013, the Annual Return as on March 31, 2022 is available on the website of the company at: https://www.pspprojects.com/financial-performance/

15. Committees of the Board

Your company's Board of Directors have constituted the following committees:

a) Audit Committee;

b) Nomination and Remuneration Committee;

c) Stakeholder Relationship Committee;

d) Corporate Social Responsibility Committee;

e) Risk Management Committee;

f) Fund Raising Committee;

g) Management Committee.

Details of terms of reference of the Committees, Committee membership, changes and attendance of members at meetings of the Committees are included in the Corporate Governance Report, which forms part of this Annual Report.

16. Directors and Key Managerial Personnel

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the company, Mr. Prahaladbhai S. Patel (DIN: 00037633), Chairman and Managing Director of the company, retires by rotation at the 14th Annual General Meeting and being eligible offers himself for re-appointment. The board recommends his re-appointment.

Mrs. Achala M. Patel (DIN: 00914990) was appointed as an Additional Non-Executive Independent Director of the Company for a period of five years w.e.f July 14, 2022. She holds the office upto the ensuing 14th Annual General Meeting.

During the year under review, Mr. Chirag N. Shah (DIN: 02583300), Independent Director resigned from the directorship of the company w.e.f. March 31, 2022 due to his other professional and personal commitments. Further, Ms. Mittali Christachary (ACS: 37269) resigned from the post of Company Secretary and Compliance Officer of the Company w.e.f. December 11, 2021 due to personal reasons. Mrs. Zarana P. Patel (DIN: 08580937) ceased to be an Independent Director of the Company w.e.f June 23, 2022 due to her sad and untimely demise. The Board placed on record appreciation for their invaluable contribution and guidance.

Mr. Kenan Patel (ACS 39981) was appointed as a Company Secretary and Compliance Officer of the Company and designated as Key Managerial Personnel w.e.f. December 14, 2022.

All the Independent Directors of your Company have affirmed compliance to the code of conduct for Independent Directors as prescribed in Schedule IV of the Companies Act, 2013 and Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and have confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

The terms and conditions of appointment of the Independent Directors are available on the website of the company at https://www.pspprojects.com/wp-content/uploads/2017/10/Terms-and-Conditions-for-Independent-Directors-22.10.2019.pdf .

None of the Directors of your Company are disqualified under the provisions of Section 164(2)(a) and (b) of the Companies Act, 2013.

None of the Managing Director, Whole-time Director/Executive Director of the Company receive any remuneration or commission from any of its subsidiaries.

As on date, Mr. Prahaladbhai S. Patel, Chairman, Managing Director & Chief Executive Officer, Ms. Pooja P. Patel, Whole Time Director, Mr. Sagar P. Patel, Executive Director, Mrs. Hetal Patel, Chief Financial Officer and Mr. Kenan Patel, Company Secretary and Compliance Officer are the Key Managerial Personnel of the company

17. Meetings of the Board

During the year under review, the Board met eight times viz. on April 02, 2021, June 18, 2021, July 19, 2021, September 18, 2021, October 27, 2021, December 09, 2021, January 27, 2022 and March 31, 2022. The necessary quorum was present during all the meetings.

The intervening gap of the board meetings were within the period as prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the recommendations made by the Audit Committee were accepted by the Board of Directors at their meetings.

18. Programme for familiarisation of Directors

The policy and details of the Familiarisation Programme imparted to the Independent Directors of the company are available on the website of the company at https://www.pspprojects.com/wp-content/uploads/2022/04/Policy-on-Familirisation-Programme-21-22.pdf .

19. Vigil Mechanism / Whistle Blower

Your company has adopted a Whistle Blower Policy for its directors and employees to report genuine concerns and to freely communicate their concerns about the illegal or unethical practices and/or instances of leakage of Unpublished Price Sensitive Information as per the provisions of Section 177(9) and (10) of the Companies Act, 2013, Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Regulation 9A of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

During the year under review, no instances have been reported or investigated under the Whistle Blower Policy of the company. The Audit committee of the company reviews the functioning of this mechanism atleast once a year.

The Whistle Blower Policy of the company is available on the website of the company at https://www.pspprojects.com/wp-content/uploads/2017/10/Whistle-Blower-Policy-April-2019.pdf .

20. Director's Responsibility Statement

Pursuant to the requirement under clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013 ('Act'), with respect to the Directors' Responsibility Statement, the Board of Directors, to the best of their knowledge and ability, confirm that:

a) in the preparation of the annual accounts for the financial year ended March 31, 2022, the applicable accounting standards have been followed and there is no material departure from the same;

b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;

c) the directors have taken proper and sufficient care for the 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 fraud and other irregularities;

d) the directors have prepared the annual accounts for the financial year ended March 31, 2022 on a going concern basis;

e) the directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

21. Auditors & their Reports

a) Statutory Auditors

M/s. Kantilal Patel & Co., Chartered Accountants, Ahmedabad (FRN: 104744W) and M/s. Riddhi P. Sheth & Co., Chartered Accountants, Ahmedabad (FRN: 140190W) were appointed as the Joint Statutory Auditors of your company at the 10th Annual General Meeting held on September 27, 2018 for a term of five consecutive years and they hold the office till the conclusion of 15th Annual General Meeting to be held in the year 2023.

The Joint Statutory Auditors have confirmed that their appointment is within the limits as specified in section 141 of the Companies Act, 2013 and they are not disqualified from continuing as Statutory Auditors of the Company.

The report of the Joint Statutory Auditors along with Notes to Accounts forms part of this Annual Report. There are no qualifications, reservations or adverse remarks made by Joint Statutory Auditors of the company in their report for the financial year ended March 31, 2022.

b) Secretarial Auditor

The Board of Directors of the Company, at their meeting held on July 19, 2021, appointed M/s. Chirag Shah & Associates (COP: 3498), Practicing Company Secretaries, Ahmedabad as Secretarial Auditors of the Company for the financial year 2021-22. The Secretarial Audit Report is annexed to this report as **Annexure A**. The observations/remarks of the Secretarial Auditor in his report are self-explanatory and do not call any further explanation/comments of the Board of directors.

Further, the subsidiaries of the Company are not material unlisted subsidiaries. Therefore, the provisions regarding the Secretarial Audit as mentioned in Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements), 2015 as amended, do not apply to such subsidiaries.

c) Cost Auditor

In terms of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your Company is required to maintain cost records and accordingly, such accounts are made and records have been maintained. M/s. K.V. Melwani & Associates, Practicing Cost Accountant (FRN: 100497) carried out the Cost Audit for the financial year under review.

Further, as per section 148 read with Companies (Audit and Auditors) Rules, 2014, the board of directors of the Company have appointed of M/s. K V M & Co. Cost Accountant (FRN: 000458) as the Cost Auditor of your Company for the financial year 2022-23. Your Company has received consent for their appointment as the Cost Auditors of the Company for the financial year 2022-23.

The remuneration payable to the Cost Auditors is required to be ratified by the members of the Company. Accordingly, a resolution seeking members' ratification for the remuneration payable to the Cost Auditor forms part of the Notice convening the 14th Annual General Meeting.

d) Internal Auditor

Manubhai & Shah LLP, Chartered Accountants, Ahmedabad (LLP identity No. AAG-0878) continued to be the Internal Auditors of the company as per the provisions of Section 138 of the Companies Act, 2013 for conducting the internal audit of the company for the financial year 2021-22. The Internal Audit Report issued by Manubhai & Shah LLP is submitted to the Audit Committee and Board of directors on a quarterly basis.

22. Corporate Social Responsibility

Your Company believes that CSR activities are not mere charity or donations, they reflect the manner in which the business is conducted by directly focusing on the needs of the Society at large. Your Company as a socially responsible entity not limiting the usage of resources to engage in activities that increase only their profits, but rather it evolves appropriate business processes and strategies to reflect its Commitment to the Societal Enhancement. As per the requirements of Section 135 of the Act pertaining to Corporate Social Responsibility ("CSR"), the Company has duly constituted a Corporate Social Responsibility Committee ("CSR Committee"), which comprises of Mr. Sandeep H. Shah, Independent Director (Chairman), Mr. Prahaladbhai S. Patel, Chairman and

Managing Director (Member) and Ms. Pooja P. Patel, Executive Director (Member) of the company. Further details regarding CSR Committee are included in the Corporate Governance Report which forms part of this Annual Report and Annual Report on CSR Activities which is annexed as **Annexure B**.

During the year under review, your company has spent an amount of ₹304.32 Lakhs for carrying out the CSR Activities against its CSR Obligation ₹291.08 Lakhs. Further, during the year under review, the company has spent excess amount of ₹13.24 Lakhs, which will be available for set-off set off in succeeding three financial years as per the provisions of Section 135(5) of the Companies Act, 2013 read with Rule 7(3) of the Companies (Corporate Social responsibility) Rules, 2014. The unspent amount of ₹11.99 Lakhs for the financial year 2020-21 was transferred to PM Cares Fund during the period under review.

The CSR Policy is available on the website of your company at https://www.pspprojects.com/wp-content/uploads/2017/09/CSR-Policy.pdf .

23. Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

During the year under review, no significant or material orders were passed by the Regulators or Courts or Tribunals which impacts the going concern status and Company's operations in future.

However, Members attention is drawn to the Statement on Contingent Liabilities and commitments in the notes forming part of the Financial Statements.

24. Secretarial Standards

Your company has complied with all the applicable mandatory Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government as per Section 118 (10) of the Companies Act, 2013.

25. Management Discussion and Analysis Report

The Management Discussion and Analysis Report for the year under review as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented in a separate section, which forms part of this Annual Report.

26. Corporate Governance Report

The Corporate Governance Report for the year under review as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, together with the Certificate from the Practicing Company Secretaries regarding compliance of conditions of Corporate Governance is presented in a separate section, which forms part of this Annual Report.

27. Business Responsibility Report

A Business Responsibility Report as stipulated under Regulation 34(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, detailing the various initiatives taken by the Company from an environmental, social and governance perspective, is presented in a separate section, which forms part of this Annual Report.

28. Nomination and Remuneration Policy

The Nomination and Remuneration policy for the Directors, Key Managerial Personnel and Senior Management Personnel as per Section 178(3) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time is available on the website of the Company at https://www.pspprojects.com/wp-content/uploads/2017/10/Policy-of-Nomination-and-Remuneration-22nd-October-19.pdf

The board of directors of the Company affirm that the remuneration paid to the Executive Directors of your company is as per the Nomination and Remuneration policy adopted by your company.

29. Performance Evaluation

In accordance with the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Annual Performance Evaluation was conducted for all Board Members as well as the working of the Board and its Committees.

The exercise was carried out based on the criteria prescribed by the Nomination and Remuneration committee and in accordance with the guidance notes issued by SEBI on Annual Performance Evaluation of board, committees and directors through questionnaire designed with qualitative parameters and feedback based on ratings.

Evaluation of the Board and Committees as a whole was based on criteria such as size, structure, composition and expertise of the Board and its Committees, adequacy of frequency of meetings, functioning effectiveness and performance of duties as prescribed under the law and as per terms of reference, monitoring the company's internal controls and compliance with applicable laws and regulations etc. Evaluation of Individual Directors was based on criteria such as attendance and effective participation at the board and committee meetings, integrity and maintaining confidentiality, effective deployment of knowledge and expertise, interpersonal relationships with other directors and management, acting in good faith and interest of Company as a whole, assisting the Company in implementing the good corporate governance practices. etc. after seeking inputs from individual directors, a consolidated report was presented before the board of directors, on the basis of which evaluation was carried out.

In a separate meeting of independent directors, performance of non-independent directors and the board as a whole was evaluated, taking into account the views of executive directors and non-executive directors, while the performance evaluation of the Independent Directors was carried out by the entire Board.

The Directors expressed their overall satisfaction on the evaluation process and that the Board, the Committees and the Directors are functioning well.

30. Particulars of Loans, Guarantees or Investments

Details of the loans, guarantees, investments and securities covered under Section 186 of the Companies Act, 2013 for the financial year under review are given in the Notes to the financial statements forming part of this Annual Report.

31. Particulars of contracts or arrangements with Related parties

Your Company has formulated a policy on materiality of related party transactions which is available on the website of the company at https://www.pspprojects.com/wp-content/uploads/2022/01/Policy-on-Materiality-of-RPT_27.01.2022.pdf

All Related Party Transactions and subsequent material modifications are placed before the Audit Committee for its review and approval. Prior omnibus approval is obtained for Related Party Transactions on a annual basis for transactions which are of repetitive nature and/or entered in the ordinary course of business and are at arm's length. All related party transactions are placed before the Audit Committee for its review and confirmation on a quarterly basis.

All Related Party Transactions entered during the year were in ordinary course of the business and at arm's length basis and there were no material Related Party Transactions entered by your Company during the year under review. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013, in Form AOC-2 is not applicable.

Disclosures on related party transactions as per Indian Accounting Standards on 'Related Party Disclosures' are set out in Notes to the financial statements, which forms part of this Annual Report.

32. Risk Management and Internal control system and their adequacy

The Board of Directors have adopted a framework of risk management to identify risks inherent in any business operations of the Company and provides guidelines to define, measure, report, control and mitigate the identified risks.

Your company constituted a Risk Management Committee to assist the board in monitoring and reviewing of the risk management plan, in identifying and assessment of risks inherent in the business operations of the company, minimization procedures and strategies and policies for risk mitigation on short term as well as long term basis and such other functions.

The board reviews significant risks and decisions that could have a material impact on the company, which inter alia includes management of Economic and Political risk, Technology Risk, Foreign Exchange Risk, Cyber Security Risk, Operational Risk, Sustainability Risk, Competition Risk, Legal/Regulatory Risk, financial and other internal and external business risks.

Major risks identified by the company and its mitigating factors has been covered in the Management Discussion and Analysis Report, which is a part of this Annual report.

The Board of Directors of your Company has laid down internal financial controls followed by the Company and that such internal financial controls are adequate and operating effectively. Your Company has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

Pursuant to Regulation 17 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the CEO and CFO has provided certification regarding the adequacy of the Internal control systems and procedures. The Audit committee inter alia, is assigned with the task of reviewing the adequacy of and effectiveness of the internal audit function.

There were no material or serious observations received from the Auditors of the Company regarding inadequacy or ineffectiveness of such controls during the period under review. Further details in respect of internal control system and their adequacy are included in the Management Discussion and Analysis Report, which forms part of this Annual report.

33. Policy on prevention of sexual harassment at workplace

Your company has in place a Policy for prevention of Sexual Harassment at the Workplace in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

Internal Complaints Committee (ICC) has been set up to redress complaints regarding sexual harassment comprising of three senior women employees and one external member. All employees (permanent, temporary, trainees) are covered under this policy.

During the year under review, the ICC has not received any complaints about sexual harassment in the company.

All new employees are required to go through a detailed orientation on Policy for prevention of Sexual Harassment at the Workplace adopted by the Company.

34. Reporting of frauds

During the year under review, the Auditors of the Company have not reported any fraud as specified under the second proviso of Section 143 (12) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and hence, there is nothing to report by the Board of Directors under Section 134 (3) (ca) of the Companies Act, 2013.

35. Particulars of employees

The information as required under Section 197(12) read with Rule 5(1) and 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time is annexed to this report as **Annexure C**.

36. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The Particulars of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo as required under Section 134(3)(m) read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed to this report as **Annexure D**.

37. Caution Statement

Statements in the Directors' Report and the Management Discussion and Analysis Report describing the Company's objectives, expectations or predictions may be forward-looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Crucial factors that could influence the Company's operations include supply conditions affecting selling prices, new capacity additions, availability of critical materials and their cost, changes in government policies and tax laws, economic development of the country and other factors that are material to the business operations of the Company.

38. Appreciations and Acknowledgements

Your Directors takes this opportunity to thank the customers, shareholders, suppliers, bankers, business partners/associates, financial institutions, government, regulatory authorities and other stakeholders for their consistent support and encouragement to the Company.

Your Directors places on record their deep appreciation to employees at all levels for their hard work, dedication, cooperation and commitment during the year.

Your Directors regret the loss of lives due to COVID-19 pandemic and are deeply grateful and have immense respect for every person who risked his life and safety to fight during this pandemic.

And to you, our shareholders, we are deeply grateful for the confidence and faith that you have always reposed in us.

For & on behalf of the Board of Directors

Prahaladbhai S. Patel
Chairman, Managing Director & CEO
(DIN: 00037633)

Date: August 09, 2022
Place: Ahmedabad

Annexure A
Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
PSP PROJECTS LIMITED
"PSP House", Opp. Celesta Courtyard,
Opp. lane of Vikram Nagar Colony,
Iscon-Ambli Road,
Ahmedabad - 380058

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by PSP Projects Limited (CIN: L45201GJ2008PLC054868) (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit by using appropriate Information technology tools like virtual data sharing by way of data room and remote desktop access tools, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made herein after. The physical inspection or verification of documents and records were taken to the extent possible:

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

(i). The Companies Act, 2013 (the Act) and the rules made hereunder;

(ii). The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii). The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv). Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.

(v). The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations 2021: (Not Applicable to the Company during the audit period);

e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable to the Company during the audit period);

f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations 2021 (Not Applicable to the Company during the audit period);

h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not Applicable to the Company during the audit period);

i. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

j. The Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.

(vi). Laws specifically applicable to the industry to which the Company belongs, as identified by the management, that is to say:

(a) The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996;

(b) The building and other Construction Workers' Welfare Cess Act, 1996.

We have also examined compliance with the applicable clauses of the following:

a. Secretarial Standards issued by the Institute of Company Secretaries of India;

b. The Listing Agreements entered into by the Company with Stock Exchange(s);

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

As per the information provided by the management, adequate notices were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

We further report that during the year under review, the Company has not passed any special resolution.

CS Chirag Shah
Partner
Chirag Shah and Associates
FCS No.: 5545
C. P. No. 3498
UDIN : F005545D000765447
Peer Review Cer. No. 704/2020

Date: August 09, 2022
Place: Ahmedabad

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

'Annexure A'

To,
The Members
PSP Projects Limited
"PSP House", Opp. Celesta Courtyard,
Opp. lane of Vikram Nagar Colony,
Iscon-Ambli Road,
Ahmedabad – 380058.

Our Secretarial Audit Report of even date is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtain from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

CS Chirag Shah
Partner
Chirag Shah and Associates
FCS No.: 5545
C. P. No. 3498
UDIN : F005545D000765447
Peer Review Cer. No. 704/2020

Date: August 09, 2022
Place: Ahmedabad

Annexure B

Annual Report on Corporate Social Responsibilities (CSR) Activities for the financial year ended March 31, 2022

1. **Brief outline on CSR Policy of the Company:**

   The Corporate Social Responsibility Policy (CSR Policy) has been framed in accordance with the provisions of section 135 of the Companies Act, 2013 ("Act") and read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and Schedule VII of the Act as amended from time to time. The Company's CSR Policy ensures that the Company is committed to operate its business in an economically, socially and environmentally sustainable manner, while recognizing the interests of all its stakeholders of the Company and to impact the society with its efforts towards CSR.

2. **Composition of the CSR Committee:**

Sl.no	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR committee held during the year	Number of meetings of CSR committee attended during the year
1.	Mr. Sandeep H. Shah	Chairman/ Independent Director	4	4
2.	Mr. Prahaladbhai S. Patel	Member/ Managing Director	4	4
3.	Ms. Pooja P. Patel	Member/ Whole Time Director	4	4

3. **Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company**:

   The Composition of CSR Committee is available on our website at https://www.pspprojects.com/composition-of-various-committees-of-board-of-directors/

   The CSR Policy of the Company is available on our website at https://www.pspprojects.com/wp-content/uploads/2017/09/CSR-Policy.pdf

   The details of CSR Activities is available on our website at https://www.pspprojects.com/wp-content/uploads/2022/08/Annual-Action-Plan-CSR-FY-22-23-09.08.2022.pdf

4. **Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report)**:

   Not Applicable

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

Sl.no	Financial year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be setoff for the financial year, if any (in ₹)
Nil			

6. **Average net profit of the company as per section 135(5):** ₹ 14,554.20 Lakhs
7. (a) **Two percent of average net profit of the company as per section 135(5):** ₹ 291.08 Lakhs

   (b) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years:** Nil

   (c) **Amount required to be set off for the financial year, if any:** Nil

   (d) **Total CSR obligation for the financial year (7a+7b-7c):** ₹291.08 Lakhs
8. (a) **CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year. (₹ in Lakhs)	Amount Unspent (₹ in Lakhs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
304.32	NIL		NIL		

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Project duration	Amount allocated for the project (in ₹).	Amount spent in the current financial Year (in ₹).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
Not Applicable												

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. no.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (₹ in lakhs)	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State	District			Name	CSR registration number.
1.	Contribution towards Promotion of Healthcare facilities	Promoting health care including preventive health care – Schedule VII (i)	No	Gujarat	Surat	250.00	No	Through Samast Patidar Aarogya Trust	CSR00001121
2.	Grant of scholarship to meritorious students towards their education	Promoting education and enhancing vocational skills especially amongst children - Schedule VII (ii)	Yes	Gujarat	Ahmedabad	4.32	No	Through CEPT University	CSR00005310
3.	Facilitating COVID-19 relief efforts by Contribution towards Promotion of Healthcare facilities	Promoting health care including preventive health care – Schedule VII (i)	Yes	Gujarat	Ahmedabad	50.00	No	Through YUVA Unstoppable	CSR00000473
		Total				304.32			

Note: The unspent CSR amount for the FY 2020-21 aggregating to ₹11.99 lakhs was transferred to PM CARES FUND, a fund specified under Schedule VII of the Companies Act, 2013 within a period of six months of the expiry of the financial year ended March 31, 2021 as required under Section 135(5) of the Companies Act, 2013 and Rules made thereunder.

(d) Amount spent in Administrative Overheads : Nil

(e) Amount spent on Impact Assessment, if applicable : Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) : ₹304.32 Lakhs

(g) Excess amount for set off, if any : ₹13.24 Lakhs

Sl.no	Particular	Amount (₹ in Lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	291.08
(ii)	Total amount spent for the Financial Year	304.32
(iii)	Excess amount spent for the financial year [(ii)-(i)]	13.24
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	13.24

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹).	Date of transfer.	
NIL							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in ₹).	Amount spent on the project in the reporting Financial Year (in ₹).	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed / Ongoing.
Not Applicable								

10. **In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year:**

(asset-wise details).

(a) Date of creation or acquisition of the capital asset(s). : N.A.

(b) Amount of CSR spent for creation or acquisition of capital asset. : N.A.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. : N.A.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). : N.A.

11. **Specify the reason(s), if the company has failed to spend two percent of the average net profit as per section 135(5):** N.A

On behalf of CSR Committee

Sandeep Shah
Chairman of CSR Committee
(DIN: 00807162)

For and on behalf of Board of Directors

Prahaladbhai S. Patel
Chairman, Managing Director & CEO
(DIN: 00037633)

Place: Ahmedabad
Date: August 09, 2022

Annexure C

Statement of Disclosure of Remuneration as required under Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Part A

a. **The ratio of the remuneration of each director to the median remuneration of the employees of the Company and percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the financial year:**

Sl.no	Name	Ratio of remuneration of each director to the median remuneration of employees	% increase in remuneration in the financial year
i.	Mr. Prahaladbhai S. Patel Chairman, Managing Director & CEO	446.85	195.76%
ii.	Ms. Pooja P. Patel (Whole Time Director)	45.29	22.43%
iii.	Mr. Sagar P. Patel (Executive Director)	15.40	129.32%
iv.	Mrs. Zarana P. Patel* (Independent Director)	0.32	-
v.	Mr. Sandeep H. Shah* (Independent Director)	0.32	-
vi.	Mr. Vasishtha P. Patel* (Independent Director)	0.32	-
vii.	Mr. Chirag N. Shah* (Independent Director)	0.18	-
viii.	Mrs. Hetal Patel (Chief Financial Officer)	Not applicable	28.38%
ix.	Ms. Mittali Christachary# (Former Company Secretary)	Not applicable	Not Comparable
x.	Mr. Kenan Patel# (Company Secretary)	Not applicable	Not Comparable

* Independent Directors receive only sitting fees for attending board/committee meetings. There is no change in the sitting fees payable to the Independent Directors per board/committee meetings.

Ms. Mittali Christachary ceased to be the Company Secretary w.e.f. December 11, 2022 due to resignation and Mr. Kenan Patel was appointed as Company Secretary of the Company w.e.f. December 14, 2021. Accordingly, the details of increase in their remuneration is not given.

b. **The percentage increase in the median remuneration of employees in the financial year is** 12.06%

c. **The number of permanent employees on the rolls of Company as on March 31, 2022:** 1,345

d. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

The average percentage increase in the salaries of employees other than the managerial personnel in the financial year 2021-22 was 13.04 %, whereas the average percentage increase in the managerial remuneration was 160.56%, as compared to previous year.

The average increase in the salaries of employees are based on their performance and is in line with the industry practice and within the normal range. The managerial remuneration was increased on account of performance of the managerial personnel during the year, which was in turn based on the expansion of roles and responsibilities of the managerial personnel and performance of the Company.

e. **Affirmation that the remuneration is as per the remuneration policy of the Company:**

The Company affirms that the remuneration is as per the remuneration policy of the Company.

Part B

a. **Names of Top Ten Employees in terms of remuneration who was in receipt of remuneration for that year which, in the aggregate, was not less than ₹102 Lakhs in aggregate, if employed throughout the year or ₹8.5 Lakhs per month, if employed for a part of the financial year**

Sr. no	Name	Designation & nature of Employment	Remuneration paid (per annum in lakhs)	Qualifications & Experience	Date of commencement of employment	Age	Previous Employment	% of Equity shares held in the company(if any) as on March 31, 2022	Relation with Director or Manager if any
1.	Mr. Prahaladbhai S. Patel	Chairman, Managing Director & CEO	1480.00	B.E (Civil)	26/08/2008	59	-	51.78%	Father of Ms. Pooja P. Patel and Mr. Sagar P. Patel
2.	Ms. Pooja P. Patel	Whole Time Director	150.00	B.E (Civil)	24/04/2015	29	-	2.78%	Daughter of Mr. Prahaladbhai S. Patel and Sister of Mr. Sagar P. Patel

b) There are no Employees employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and who holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

For & on behalf of the Board of Directors

Prahaladbhai S. Patel
Chairman,Managing Director & CEO
(DIN: 00037633)

Date: August 09, 2022
Place: Ahmedabad

Annexure D

Conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014

(A) Conservation of energy:

(i)	The steps taken or impact on conservation of energy	The Company has been maximising the use of energy efficient products and have upgraded to LED Lighting systems at all its project sites and office premises to improve energy efficiency in its operations. The Company has installed Double Glass Windows at its offices, which offer a thicker barrier between inside and the outside. This added protection not only reduces energy usage by up to 30% when compared to single glazed windows, but also helps keep out unwanted noise. The Company has replaced usage of Clay Bricks with AAC Block (Green Build Certified) at majority of its sites to optimise the Carbon footprints.
(ii)	The steps taken by the Company for utilizing alternate source of energy	As an alternate source of energy, the company has installed solar panels on roof of its registered office and some major project sites to promote renewable source of energy. Further, the Company is in process of installing Solar rooftop with capacity of 425KW on its Precast manufacturing site, which will generate close to 5,95,000 units of Energy per annum. More details are included in the Business Responsibility Report which forms part of this Annual Report.
(iii)	The Capital investment on energy conservation equipment	Nil

(B) Technology Absorption:

(i)	The effort made towards technology absorption	Your Company has set up its Precast Plant for manufacturing of Precast Concrete at Sanand, Gujarat. Precast is relatively a novel technology in the Construction Sector in India, which will change the intensive traditional building methods by way of maximum prefabrication and use of cutting-edge technology. Your Company aims to boost the use of precast in the construction sector in Gujarat and other parts of India. It is produced in a by casting Precast in a pre-determined shape in a controlled environment and thenafter installed/assembled at the specific site as per the requirement of client. The use of Precast in construction helps in shrinking the labour cost and the turnaround time of the project. Precast concrete has a lifespan of several years, in fact, they increase in strength over time, instead of deteriorating. Further, your company is a forward looking company with early adoption of information technology that benefits its business operations. The deployment of SAP HANA Technology has enabled your company to have a faster access to data on real time basis in all its business processes such as Accounts and Finance, procurement, stores, HR etc. and provides complete transparency and timely sharing of key project-related details with the management, enabling them to monitor projects at frequent intervals and preserve a solid financial structure. Through its web and mobile based NCR Management Tool, the management can seamlessly track progress of NCRs on each and every site and provides accurate quality assurance at site. The Inventory management software adopted by your company helps to rapidly track and trace the assets at its project sites on real time basis thereby improving asset utilisation at site by proper allocation.
(ii)	The benefits derived like product improvement cost reduction, product development or import substitution	

		Through its GPS based Vehicle tracking system, your company has been able to locate and monitor its vehicles efficiently, track its fuel consumption and avoid any fuel theft. Further, with the technology SUSE Cluster, the company is running SAP HANA platform on-premise which can reduce outages in case of planned maintenance and faults. Disaster recovery is an organization's method of regaining access and functionality to its SAP HANA Application server after events like a natural disaster, cyber-attack, or even business disruptions. The company has SAP HANA disaster recovery server which is taken care by IBM team at Bangalore, India.
(iii)	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) (a) The details of technology imported (b) The year of import Whether the technology has been absorbed (c) Whether the technology has been absorbed (d) If not fully absorbed, areas whether absorption has not taken place, and the reasons thereof:	During the financial year 2021-22, your company has imported 3 automatic rebar's machines from Schnell SPA (Germany) and installed the same at its Precast Plant. These machines are used for cutting and bending the different types of steel depending on dia as well in length. These machines work in alignment with the software which develops CAD-CAM products that provide a solution to organize the production of company's manufacturing machines for reinforced concrete. It has a rebar detailing software that allows with its powerful and flexible graphical interface. Graphico Pro stores all the project's data, manages the project phases and the orders for the production. Besides, all the data included in the program can be printed through customized reports divided into different areas such as customer management, order management, order management by location, element or for other commercial products. This technology helps in reducing the wastage and reducing labour cost alongside increasing the productivity per worker. These machines can save upto ₹1.5 to ₹2.00 per kg on cutting, bending and stripping the steel. The technology has been fully absorbed.
(iv)	The expenditure incurred on Research and Development	NIL

(C) Foreign Exchange Earning and Outgo:

(₹ in Lakhs)

Particulars	FY 2021-22	FY 2020-21
Foreign Exchange earned	350.42	203.73
Foreign Exchange used / outgo	1,671.72	1,410.37

For & on behalf of the Board of Directors

Prahaladbhai S. Patel
Chairman, Managing Director & CEO
(DIN: 00037633)

Date: August 09, 2022
Place: Ahmedabad

Corporate Governance Report

1. Company's Philosophy on Corporate Governance

At PSP Projects Limited, the Corporate Governance stands strong on the pillars of ethics, values and professionalism which leads to sustainable, value-driven growth for the Company.

Your Company emphasise on its commitment towards adoption of best governance practices and its adherence in the true spirit at all times and envisages the attainment of a high level of transparency, fairness and accountability in the functioning of the Company both internally and externally in order to protect the interests of all its stakeholders.

A Report on compliance with the Corporate Governance provisions as prescribed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") is given below:

2. Board of Directors

a. Composition

Your company has a balanced and diversified composition board of directors ('the Board') with an appropriate blend of Executive, Non-Executive and Independent Directors in conformity with Regulation 17 of the Listing Regulations read with Section 149 of the Companies Act, 2013 ("the Act").

As on March 31, 2022, the Board comprises of 7 (Seven) Directors, which include 4 (Four) Non-Executive Independent Directors and 3 (Three) Executive Directors including 1 (One) Executive Women Director and 1 (One) Non-Executive Woman Director. The Chairman, Managing Director and Chief Executive Officer is an Executive Director in the company.

None of the Independent Directors of the Company serve as an Independent Director in more than seven listed Companies. None of the Directors on the board is a director in more than 7 listed entities. None of the Directors on the Board is a Member of more than 10 Committees, and Chairperson of more than 5 Committees across all listed companies in which he or she is a Director.

b. Board Meetings

The Board met 8 (Eight) times during the financial year ended on March 31, 2022 and the maximum gap between two Board Meetings was less than one hundred twenty days. The necessary quorum was present for all the meetings.

The Agenda papers and Notes on Agenda are circulated to the Directors well in advance. Due to business exigencies or urgency of matters, resolutions were also passed by way of circulation during the year.

The dates on which the Board Meetings were held during the Financial Year and attendance on the same are as follows:

Sl.no	Date of Board Meeting	Total Strength of Board	No. of Directors Present
1.	April 02, 2021	7	7
2.	June 18, 2021	7	6
3.	July 19, 2021	7	6
4.	September 18, 2021	7	7
5.	October 27, 2021	7	7
6.	December 09, 2021	7	7
7.	January 27, 2022	7	6
8.	March 31, 2022	7	7

Apart from Board Members and the Company Secretary, the Board and Committee Meetings are also attended by Chief Financial Officer wherever required.

c. **The composition of the Board, Directorships/Membership of Committee of other Companies as on March 31, 2022, no. of meetings held and attended during the financial year are as under:**

Sl. no	Name of Directors	Category of Directorship	No. of Board meetings eligible to attend as a Director	No. of Board Meetings attended	Attendance at Last AGM held on September 18, 2021	No. of Directorships in other public companies**	Committee membership held in other Companies***		Sitting Fees Paid for attending board/ committee meetings (₹ in Lakhs)	No. of Equity shares held as on March 31, 2022
							Chairman	Member		
1.	Mr. Prahaladbhai S. Patel* (DIN:00037633)	Promoter & Chairman, Managing Director and CEO	8	8	Yes	0	0	0	Nil	1,86,39,308
2.	Ms. Pooja P. Patel* (DIN: 07168083)	Member of Promoter Group & Whole Time Director	8	8	Yes	0	0	0	Nil	10,00,000
3.	Mr. Sagar P. Patel* (DIN: 07168126)	Member of Promoter Group & Executive Director	8	8	Yes	0	0	0	Nil	20,00,000
4.	Mr. Chirag N. Shah# (DIN: 02583300)	Non-Executive -Independent Director	8	5	Yes	0	0	0	0.60	Nil
5.	Mr. Sandeep H. Shah (DIN: 00807162)	Non-Executive -Independent Director	8	8	Yes	0	0	0	1.05	Nil
6.	Mr. Vasishtha P. Patel (DIN: 00808127)	Non-Executive -Independent Director	8	8	Yes	0	0	0	1.05	Nil
7.	Mrs. Zarana P. Patel## (DIN: 08580937)	Non-Executive -Independent Director	8	8	Yes	0	0	0	1.05	Nil

Notes:

* Mr. Prahaladbhai S. Patel is a father of Ms. Pooja P. Patel and Mr. Sagar P. Patel and are thus related.

**Excludes Directorships in Indian Private Limited Companies, Foreign Companies, Firms, Partnerships including LLPs, Section 8 Companies and membership of various Chambers and other non-corporate organisations other than PSP Projects Limited. Information of names of the listed entities where the person is a director & category of directorship is not provided, as none of the director of your company holds directorship in any Listed Entity other than PSP Projects Limited as shown above.

*** The committees considered for the purpose are those prescribed under Regulation 26 of SEBI (LODR) Regulations, 2015 i.e. Audit Committee and Stakeholders' Relationship Committee of Indian public limited companies other than PSP Projects Limited whether listed or not.

Mr. Chirag N. Shah ceased to be an Independent Director from the close of business hours of march 31, 2022 due to his resignation.

Mrs. Zarana P. Patel ceased to be an Independent Director of the Company w.e.f. June 23, 2022 due to her sudden demise.

Mrs. Achala M. Patel was appointed as an Additional Non-Executive Independent Director of the company by the board of directors of the company w.e.f. July 14, 2022.

d. **Independent Directors**

All the Independent Directors of your company have confirmed that they meet the criteria as stipulated under Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Companies Act, 2013 through the declaration under regulation 25(8) of the Listing Regulations and are independent of the management of your company.

Further, the Independent Directors have also registered their names in the databank maintained by the Indian Institute of Corporate Affairs as mandated in the Companies (Appointment and Qualification of Directors), Rules, 2014 as amended.

The appointment and tenure of Independent Directors is in compliance with the Companies Act, 2013 and the terms and conditions of their appointment have been disclosed on the website of the Company at https://www.pspprojects.com/wp-content/uploads/2017/10/Terms-and-Conditions-for-Independent-Directors-22.10.2019.pdf .

e. **Separate meeting of Independent Directors**

During the year under review, in compliance with the requirements of Regulation 25(3) of Listing Regulations read with Schedule IV of the Companies Act, 2013, one separate meeting of the Independent Directors was held on January 27, 2022. The said meeting was chaired by Mr. Sandeep H. Shah and all independent directors except Mr. Chirag N. Shah were present personally for the meeting.

The independent directors, inter-alia, discussed and reviewed the performance of Non-Independent Directors, performance of the board as a whole, performance of the chairperson for the financial year 2021-22 and carried out assessment of the quality, quantity and functions of flow of information between the company, management and the board that is necessary for the board to effectively and reasonably perform its duties.

f. **Details of familiarisation programmes imparted to Independent Directors**

Your Company has established Familiarisation Programme in the form of exhaustive induction program which covers the history, culture and background of the Company and its growth, various milestones in the Company's existence since its incorporation, the present structure and an overview of the businesses and functioning for all the new Independent Directors when they join the Company.

Pursuant to Regulation 25(7) of the Listing Regulations, your Company conducted familiarisation programmes for its Directors including various amendment in SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Companies Act, 2013 and deep drive understanding of precast business and future strategies thereon at its Precast Plant visit.

Pursuant to Regulation 46 of the Listing Regulations, the details of familiarization programmes imparted to Independent Directors is available on the website of the Company at https://www.pspprojects.com/wp-content/uploads/2022/04/Policy-on-Familirisation-Programme-21-22.pdf .

g. **Matrix of detailed skills, expertise and competence of the Board of Directors**

The skill sets may keep on changing from time to time with the growth of the organization and hence the board may review the skill set from time to time.

The following is a set of skill sets identified and available with the board:

1. Knowledge in Construction Industry;
2. Experience in Construction Industry;
3. General Business Understanding, Administration, operations and management;
4. Strategic planning;
5. Business Development;
6. Understanding of relevant laws, rules, regulation and policy;
7. Accounting/Finance;
8. Risk Management / strategic Management;
9. Information Technology;
10. Integrity and Ethical standards;
11. Understanding of Government Legislation;
12. Corporate Governance.

In the table below, the specific areas of focus or expertise of individual board members have been highlighted. However, the absence against director's name does not necessarily mean that a director does not possess the corresponding skill or qualification.

Area of Skill/ expertise/ competence	Directors						
	Mr. Prahaladbhai S. Patel	Ms. Pooja P. Patel	Mr. Sagar P. Patel	Mr. Chirag N. Shah	Mr. Sandeep H. Shah	Mr. Vasishtha P. Patel	Mrs. Zarana P. Patel
Knowledge in Construction Industry	✓	✓	✓	-	-	-	-
Experience in Construction Industry	✓	✓	✓	-	-	-	-
General Business Understanding, Administration, operations and management	✓	✓	✓	✓	✓	✓	✓
Strategic planning	✓	✓	✓	✓	✓	✓	-
Business Development	✓	✓	✓	✓	✓	✓	-
Understanding of relevant laws, rules, regulation and policy	✓	✓	✓	✓	✓	✓	✓
Accounting/Finance	✓	✓	✓	✓	✓	✓	✓
Risk Management / strategic Management	✓	✓	✓	✓	✓	✓	✓
Information Technology	✓	✓	✓	✓	✓	✓	✓
Integrity and Ethical standards	✓	✓	✓	✓	✓	✓	✓
Understanding of Government Legislation	✓	✓	✓	✓	✓	✓	✓
Corporate Governance	✓	✓	✓	✓	✓	✓	✓

3. Committees of the Board

Your board has constituted various Committees with specific terms of reference in line with various provisions of the Companies Act, 2013 read with Rules framed thereunder and Listing Regulations. As on March 31, 2022, your company has the following committees of the board:

a. Audit Committee;

b. Nomination and Remuneration Committee;

c. Stakeholders Relationship Committee;

d. Corporate Social Responsibility Committee;

e. Risk Management Committee;

f. Other Committees.

a. Audit Committee

The Company has an independent Audit Committee, the constitution of which is in compliance with provisions of Section 177 of the Companies Act, 2013 read with rules framed thereunder and Regulation 18 of the Listing Regulations. As on March 31, 2022 the Audit Committee comprises of four Directors which includes three Non-Executive Independent Directors and one Executive Director and all the members are financially literate and the Chairman is having financial management expertise. The Committee is governed by a Charter that is in line with the regulatory requirements mandated by the Act and Listing Regulations.

Composition, Meetings and Attendance

The Audit Committee met 7 (Seven) times during the Financial Year 2021-22 on April 02, 2021, June 18, 2021, July 19, 2021, September 18, 2021 , October 27, 2021, December 09, 2021 and January 27, 2022. The intervening gap between two meetings were within the period as prescribed under the Companies Act, 2013 and Listing Regulations and relaxations prescribed therein.

The composition of the Audit Committee of the Board along with the details of the meetings held and attended during the financial year 2021-22 are detailed below:

Sr. No.	Name	Designation in the committee	Category of Director	No. of meetings held	No. of meetings attended
1.	Mr. Vasishtha P. Patel	Chairman	Non-Executive- Independent Director	7	7
2.	Mr. Sandeep H. Shah	Member	Non-Executive-Independent Director	7	7
3	Mr. Prahaladbhai S. Patel	Member	Managing Director	7	7
4.	Mrs. Zarana P. Patel*	Member	Non-Executive-Independent Director	7	7

*Mrs. Zarana P. Patel ceased to be a member of the Audit Committee w.e.f. June 23, 2022 due to her sudden demise.

#Mrs. Achala M. Patel was appointed as a member of Audit Committee by the board w.e.f. July 14, 2022.

The Company Secretary of the company acts as Secretary of the Audit Committee.

Meetings of the Audit Committee are also attended by Chief Financial Officer, Internal Auditor and the Joint Statutory Auditors of the Company.

The Chairman of the Audit Committee, Mr. Vasishtha P. Patel was present at the 13th Annual General Meeting of the Company held on September 18, 2021.

Terms of Reference:

The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 (3) of Listing Regulations read with Part C of Schedule II which includes the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
   a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
   b) changes, if any in accounting policies and practices and reasons for the same;
   c) major accounting entries involving estimates based on the exercise of judgment by management;
   d) significant adjustments made in the. financial statements arising out of audit findings;
   e) compliance with listing and other legal requirements relating to financial statements;
   f) disclosure of any related party transactions;
   g) modified opinion(s) in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
7. approval or any subsequent modification of transactions of the company with related parties;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;

15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the whistle blower mechanism;
19. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the audit committee.
21. reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this SEBI (Listing Obligations and Disclosure Requirements) Amendment Regulations, 2018.

The audit committee of your company mandatorily reviews the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. Management letters/ letters of internal control weaknesses issued by the statutory auditors;
4. Internal Audit Reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the internal auditors are also subject to review by the audit committee.
6. Statement of deviations:
   a. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the Listing Regulations.
   b. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the Listing Regulations

In addition to the above responsibilities, the Committee will undertake such other duties as the Board of Directors delegates to it, and such other matters as may be required to be reviewed under Corporate Governance Guidelines and any statutory or regulatory requirements,

b. Nomination and Remuneration Committee

Your company has an independent and qualified Nomination and Remuneration Committee as per the requirements of Section 178 of the Companies Act, 2013 read with Rules framed thereunder and Regulation 19 of the Listing Regulations. The committee comprises of three Directors and all of them are Non-Executive Independent directors.

Composition, Meeting and Attendance:

The Nomination and Remuneration Committee met 4 (Four) times during the Financial Year 2021-22 on June 17, 2021, October 27, 2021, December 09, 2021 and March 31, 2022.

The composition of the Nomination and Remuneration Committee of the Board along with the details of the meetings held and attended during the financial year 2021-22 are detailed below:

Sr. No.	Name	Designation in the committee	Category of Director	No. of meetings held	No. of meetings attended
1.	Mr. Chirag N. Shah*	Chairman	Non-Executive - Independent Director	4	3
2.	Mr. Vasishtha P. Patel	Member	Non-Executive - Independent Director	4	4
3.	Mr. Sandeep H. Shah	Member	Non-Executive - Independent Director	4	4

*Mr. Chirag Shah ceased to be the Chairman of the Nomination and Remuneration Committee from the close of business hours of March 31, 2022 due to his resignation.

#Mrs. Zarana P. Patel was appointed and designated as Chairperson of the Committee w.e.f. April 01, 2022.

##Mrs. Zarana P. Patel ceased to the chairperson of the Nomination and Remuneration Committee w.e.f. June 23, 2022 due to her sudden demise.

###Mrs. Achala M. Patel was appointed and designated as Chairperson of the Nomination and Remuneration Committee w.e.f. July 14, 2022.

The Company Secretary of the company acts as the Secretary of the Committee.

The Chairman of the Nomination and Remuneration Committee, Mr. Chirag N. Shah was present at the 13th Annual General Meeting of the Company held on September 18, 2021.

Terms of Reference:

The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 (4) of Listing Regulations read with Part C of Schedule II, which includes the following.

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, Key Managerial Personnel and other employees;
2. Formulation of criteria for evaluation of performance of independent directors and the board of directors;
3. Devising a policy on diversity of board of directors;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
5. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
6. Recommend to the board, all remuneration, in whatever form, payable to senior management.

Performance evaluation criteria for independent directors:

The Nomination and Remuneration Committee of your company have formulated the criteria for assessment of the performance of the board of directors, its committees and individual directors including Independent Directors through structured questionnaires.

The criteria for evaluating the performance of each director include certain parameters such as attendance and effective participation at the board and committee meetings, integrity and maintaining confidentiality, effective deployment of knowledge and expertise, interpersonal relationships with other directors and management, acting in good faith and interest of company as a whole, assist the Company in implementing the good corporate governance practices. etc.

Additionally, the Independent Directors are separately evaluated on parameters such as whether they are independent from the company and other directors and whether there is any conflict of interest and whether they exercise his/ her own judgement and voices opinion freely and also their adherence to the code of conduct.

The performance evaluation of the Board, its Committees, Individual Directors including Independent Directors for the Financial Year 2021-22 has been carried out following the manner and process as per the policy and the board is satisfied with the performance and evaluation.

Nomination and Remuneration Policy

The Nomination and Remuneration Policy of the Company has been devised in accordance with Section 178(3) and (4) of the Companies Act, 2013.

The Nomination and Remuneration Policy of the Company is available on website of the company at https://www.pspprojects.com/wp-content/uploads/2017/10/Policy-of-Nomination-and-Remuneration-22nd-October-19.pdf .

c. Stakeholders Relationship Committee

Your Company has constituted a Stakeholders Relationship Committee in compliance with provisions of section 178 of the Companies Act, 2013 read with Rules framed thereunder and Regulation 20 of the Listing Regulations to look into various aspects of interest of shareholders, debenture holders and other security holders of the company.

Composition, Meeting and Attendance

The Stakeholder Relationship Committee met 1 (One) time during the Financial Year 2021-22 on June 17, 2021.

The details of composition of the Stakeholder Relationship Committee of the Board along with the details of the meetings held and attended during the financial year 2021-22 are detailed below:

Sr. No.	Name	Designation in the committee	Category of Director	No. of meetings held	No. of meetings attended
1.	Mr. Chirag N. Shah*	Chairman	Non-Executive -Independent Director	1	1
2.	Ms. Pooja P. Patel	Member	Whole Time Director	1	1
3.	Mr. Sagar P. Patel	Member	Executive Director	1	1

*Mr. Chirag N. Shah ceased to be the Chairman of the Stakeholders' Relationship Committee from the close of business hours of March 31, 2022 due to his resignation.

#Mr. Vasishtha P. Patel was appointed and designated as Chairman of the Stakeholders' Relationship Committee w.e.f. April 01, 2022.

The Company Secretary of the company acts as the Secretary of the Committee.

The Chairman of the Stakeholders Relationship Committee, Mr. Chirag N. Shah was present at the 13th Annual General Meeting of the Company held on September 18, 2021.

Terms of Reference

The scope and function of the Stakeholders Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The terms of reference of the Stakeholders Relationship Committee inter alia, includes the following:

1. Resolving the grievances of the security holders of the company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
2. Review of measures taken for effective exercise of voting rights by shareholders;
3. Review of adherence to the service standards adopted by the company in respect of various services being rendered by the Registrar & Share Transfer Agent; and
4. Review of the various measures and initiatives taken by the company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

Details of Investor Complaints / Grievances received/disposed during the year:

Opening Balance as on April 01, 2021	Nil
Complaints Received during the year	Nil
Complaints Resolved during the year	Nil
Total Pending Complaints as on March 31, 2022	Nil

The status of investor grievance redressal is updated to the Committee and the Board periodically.

For any grievances/complaints, shareholders may contact the RTA, KFin Technologies Limited or may also write to the Company Secretary and Compliance officer of the company at grievance@pspprojects.com.

d. Corporate Social Responsibility Committee

Your Company has constituted a Corporate Social Responsibility (CSR) Committee, in compliance with the provision of section 135 of the Companies Act, 2013 read with Rules framed thereunder.

Composition, Meeting and Attendance

The Corporate Social Responsibility Committee met 4 (Four) times during the Financial Year 2021-22 on April 02, 2021, June 18, 2021, July 19, 2021 and September 18, 2021.

The details of composition of the Corporate Social Responsibility Committee of the Board along with the details of the meetings held and attended during the financial year 2021-22 are as under: :

Sr. No.	Name	Designation in the committee	Category of Director	No. of meetings held	No. of meetings attended
1.	Mr. Sandeep H. Shah	Chairman	Non-Executive- Independent Director	4	4
2.	Mr. Prahaladbhai S. Patel	Member	Managing Director	4	4
3.	Ms. Pooja P. Patel	Member	Whole Time Director	4	4

The Company Secretary of the company acts as the Secretary of the Committee.

Terms of Reference

1. Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
2. Formulate and recommend to the Board, an Annual Action Plan in pursuance of its CSR Policy;
3. Review and recommend the amount of expenditure to be incurred on activities to be undertaken by the Company;
4. Monitor the CSR policy of the Company and its implementation from time to time; and
5. Any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board from time to time.

e. Risk Management Committee

Your company has constituted a Risk Management Committee, in compliance with the provision of regulation 21 read with read with Part D of Schedule II of the Listing Regulations.

Composition, Meeting and Attendance:

The Risk Management Committee met 3 (Three) time during the Financial Year 2021-22 on June 17, 2021, September 18, 2021 and October 27, 2021.

The composition of the Risk Management Committee of the Board along with the details of the meetings held and attended during the financial year 2021-22 are detailed below:

Sr. No.	Name	Designation in the committee	Category of Director	No. of meetings held	No. of meetings attended
1.	Mr. Prahaladbhai S. Patel	Chairman	Managing Director	3	3
2.	Mr. Sagar P. Patel	Member	Executive Director	3	3
3	Mr. Chirag N. Shah*	Member	Non-Executive -Independent Director	3	2
4.	Mrs. Zarana P. Patel$	Member	Non-Executive- Independent Director	3	3

*Mr. Chirag N. Shah ceased to be the member of the Risk Management Committee from the close of business hours of March 31, 2022 due to his resignation.

$Mrs. Zarana P. Patel was ceased to the member of the Risk Management Committee w.e.f. June 23, 2022 due to her sudden demise.

Mr. Vasishtha P. Patel was appointed as member of the Risk Management Committee w.e.f. July 14, 2022.

The Company Secretary of the company acts as the Secretary of the Committee.

Terms of Reference

1. To formulate, monitor, review and amend the Risk Management Plan/Policy of the Company inter alia covering management of foreign exchange exposure, cyber security, financial and other internal and external business risks.
2. To assist the board in identifying and assessment of risks inherent in the business operations of the company, minimization procedures and strategies and policies for risk mitigation on short term as well as long term basis.
3. To ensure that the Company is taking appropriate measures to achieve prudent balance between risk and reward in both ongoing and new business activities of the company, if any.
4. To perform such other functions as may be delegated by the board of directors of the company.

f. Other Committees

The Board had constituted a Management Committee on August 05, 2020 to smoothly manage day to day affairs of business of the company and fund raising Committee on October 22, 2019 for proposed fund raising activities of the Company.

Remuneration of Directors:

- **Executive Directors**

Details of Remuneration paid to Executive Directors of the company for the financial year 2021-22 are as under:

(₹ in Lakhs)

Sr. No.	Name of Director	Designation	Salary	Perquisites, Allowances & other Benefits	Commission	Total
1.	Mr. Prahaladbhai S. Patel	Chairman, Managing Director & CEO	630.00	700.00*	150.00	1480.00
2.	Ms. Pooja P. Patel	Whole Time Director	150.00	-	-	150.00
3.	Mr. Sagar P. Patel	Executive Director	51.00	-	-	51.00

* Mr. Prahaladbhai P. Patel was paid an amount of ₹700 lakhs as performance based variable/ex-gratia payment.

- **Non-Executive Directors**

The Sitting fees paid to the Non-Executive Independent Directors for the financial year 2021-22 are as under:

(₹ in Lakhs)

Sr. No.	Name of Director	Designation	Sitting fees paid
1	Mr. Chirag N. Shah*	Non-Executive Independent Director	0.60
2	Mr. Vasishtha P. Patel	Non-Executive Independent Director	1.05
3	Mr. Sandeep H. Shah	Non-Executive Independent Director	1.05
4	Mrs. Zarana P. Patel#	Non-Executive Independent Director	1.05

* Mr. Chirag N. Shah ceased to be Non-Executive Independent Director of the Company from the close of business hours of March 31, 2022 due to his resignation.

Mrs. Zarana P. Patel ceased to be Non-Executive Independent Director of the Company w.e.f. June 23, 2022 due to her sudden demise.

- There is no pecuniary relationship or transaction between the Company and any of the Non-Executive Directors, except payment of sitting fees.
- The criteria for making payment to Non-Executive Directors is available on the website of the company at https://www.pspprojects.com/wp-content/uploads/2017/10/Criteria-for-making-payment-to-Non-Executive-Directors.pdf
- The Company does not have any Stock Option Scheme and there is no provision for payment of Severance Fees to any of the directors.
- Mr. Prahaladbhai S. Patel, Chairman, Managing Director & CEO has been reappointed by the members in the 11th Annual General Meeting held on September 18, 2019 for the period of 5 years from July 9, 2020 to July 8, 2025. The Service Agreement dated October 01, 2019 was executed between the Company and Mr. Prahaladbhai S. Patel. The term provides for the termination of contract by either party after giving three months' notice in writing or salary in lieu thereof to the other party.
- Ms. Pooja P. Patel was re-appointed as the Whole Time Director of the company by the members in the 12th Annual General Meeting held on September 18, 2020 for the period of 5 years from September 1, 2020 to August 31, 2025. The term provides for the termination by either party after giving three months' notice in writing or salary in lieu thereof to the other party.
- Mr. Sagar P. Patel was re-appointed as an Executive Director of the company by the members through Postal Ballot on November 25, 2019 for the period of 5 years from November 1, 2019 to October 31, 2024. The term provides for the termination by either party after giving three months' notice in writing or salary in lieu thereof to the other party.

4. SHAREHOLDERS:

a. **General Body Meetings**

i. **Particulars of the last three Annual General Meetings of the company are as follows**

Financial year	Date & Day	Venue	Special Resolutions passed
2020-21	Saturday, September 18, 2021 at 11:00 A.M.	Meeting conducted through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	NIL
2019-20	Friday, September 18, 2020 11:00 A.M.	Meeting conducted through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	1. Re-appointment of Ms. Pooja P. Patel (DIN:07168083), as the Whole Time Director of the company 2. Revision in the terms of Remuneration payable to Mr. Sagar P. Patel (DIN: 07168126), Executive Director of the company
2018-19	Wednesday, September 18, 2019 11:00 A.M	H.T Parekh Convention Centre, Ahmedabad Management Association (AMA) Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad-380015	1. Approval for remuneration payable to Mr. Prahaladbhai S. Patel (DIN: 00037633), Chairman, Managing Director and CEO, Promoter of the Company 2. Approval for remuneration payable to Mrs. Shilpaben P. Patel (DIN: 02261534), WholeTime Director, Promoter of the Company 3. Approval for remuneration payable to Ms. Pooja P. Patel (DIN: 07168083), Executive Director, Member of Promoter Group of the Company 4. Re-appointment of Mr. Prahaladbhai S. Patel (DIN: 00037633), as the Chairman, Managing Director and CEO of the company 5. Re-appointment of Mr. Vasishtha P. Patel (DIN: 00808127), as a Non-Executive Independent Director of the company 6. Re-appointment of Mr. Sandeep H. Shah (DIN: 00807162), as a Non-Executive Independent Director of the company 7. Re-appointment of Mr. Chirag N. Shah (DIN: 02583300), as a Non-Executive Independent Director of the company 8. Approval of conversion of loan into equity

ii. **Extra Ordinary General Meeting**

During the period under review, no Extra Ordinary General Meeting was held.

b. **Postal Ballot**

During the period under review, no resolution was passed through Postal Ballot. Further, no resolution requiring Postal Ballot as required by the Companies (Passing of Resolution by Postal Ballot) Rules, 2011, has been placed for Shareholder's approval at this Annual General Meeting.

c. **Means of communication**

The quarterly and yearly financial results of the Company in compliance with Regulation 33 of the Listing Regulations are submitted to the Stock Exchanges in timely manner and are also published in 'Financial Express' both in English and regional Language i.e. Gujarati. The financial presentations made to the investors are submitted to the Stock Exchanges in timely manner. The same are also available on the website of the company. i.e. www.pspprojects.com

All corporate announcements, news releases and other submissions made to stock exchanges including presentations made to institutional investors or to the analysts and transcripts of Con-call are submitted to the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) and are also uploaded on the website of the company. i.e. www.pspprojects.com

d. **General Shareholders Information**

Sr.no	Salient Items of Interest	Particulars
1.	Annual General Meeting	14th Annual General Meeting
	Day & Date	**Tuesday, September 27, 2022**
	Time	11:00 A.M.
	Venue	Through Video Conferencing or Other Audio Visual Means (VC/OAVM) (Deemed venue - 'PSP House', Opp. Celesta Courtyard, Opp. Lane of Vikramnagar Colony, Iscon-Ambli Road, Ahmedabad – 380058)
2.	Financial Year	April 1, 2021 to March 31, 2022.
3.	Dividend Payment Date	The board of directors have recommended a Final Dividend of ₹5.00 per share on equity shares of face value of ₹10.00 per share subject to approval by shareholders at the 14th Annual General Meeting. The dividend would be payable to all Shareholders whose names appear in the Register of Members as on the Record Date. i.e. Tuesday, September 20, 2022. The Dividend would be paid/dispatched on or after September 27, 2022 but within a period of 30 days from the date of the Annual General Meeting.
4.	Listing on Stock Exchange & Payment of Listing Fees	**BSE Limited** 1st Floor, P.J. Towers, Dalal Street, Fort, Mumbai- 400001 **National Stock Exchange of India Limited** Exchange Plaza, 5th Floor, Plot No.1/G Block, Bandra-Kurla Complex, Bandra (E)- Mumbai- 400051 The company has paid Annual Listing fees with both Exchanges within stipulated time period.
5.	Stock Code	BSE: 540544 NSE: PSPPROJECT

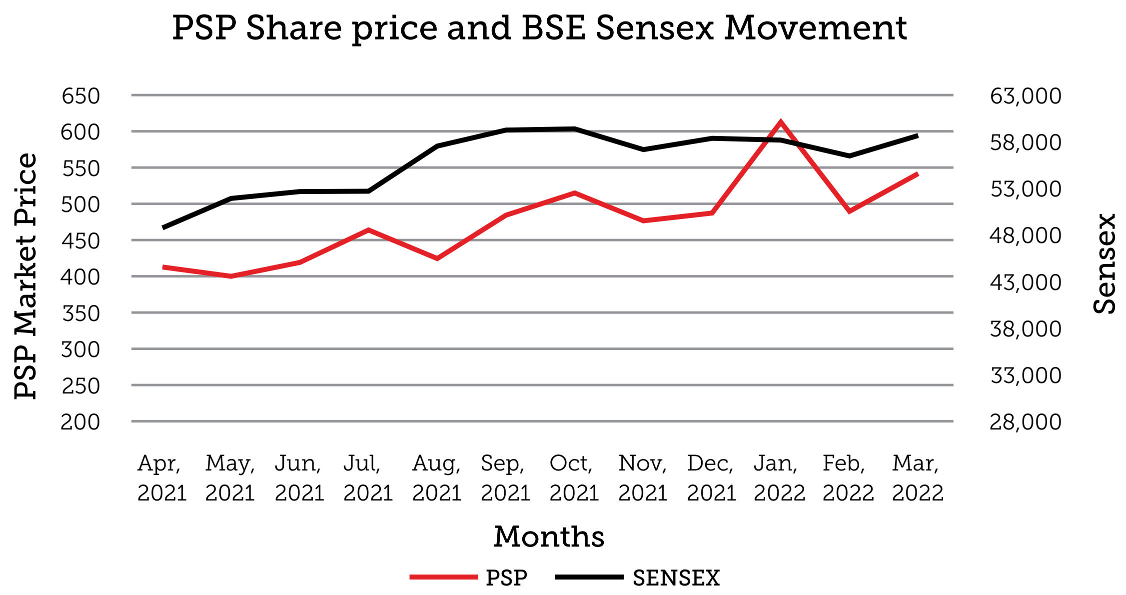
6. Market Price Data

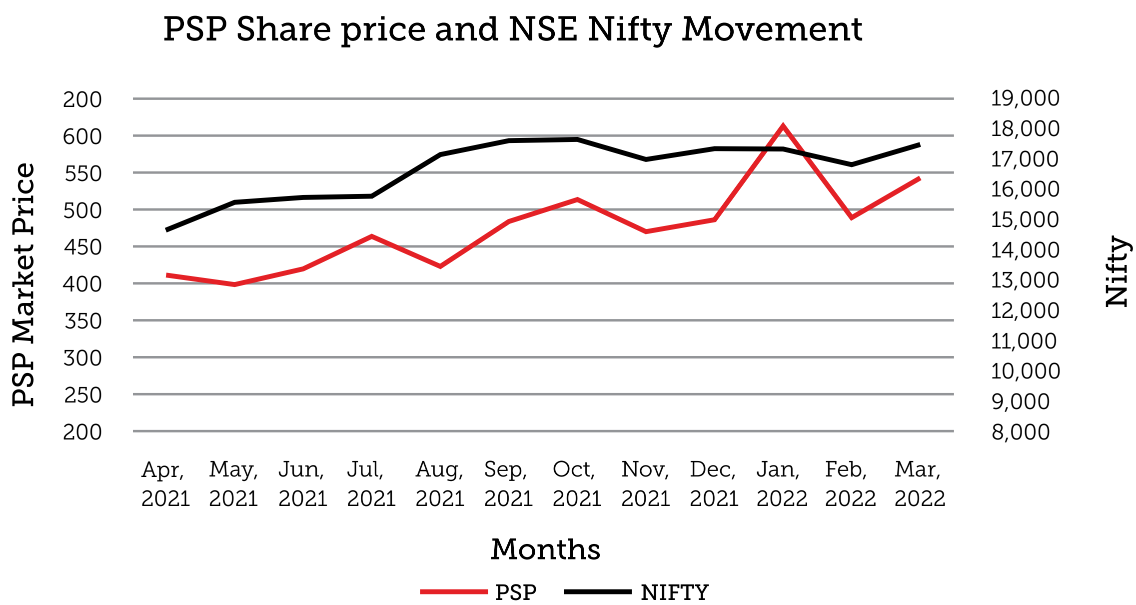
Monthly high and low prices along with the closing price of the Company's shares at BSE and NSE for the financial year ended March 31, 2022 are as below:

Months	PSP on BSE (in ₹)			PSP on NSE (in ₹)		
	High	Low	Closing	High	Low	Closing
April, 2021	468.10	401.30	411.15	468.80	401.00	412.65
May, 2021	445.20	394.00	400.35	446.65	397.15	400.05
June, 2021	475.00	397.55	418.40	473.95	397.00	418.05
July, 2021	489.85	421.00	462.35	489.95	424.50	462.35
August, 2021	474.35	406.40	422.75	474.00	405.10	422.70
September, 2021	517.25	416.20	482.75	517.40	416.10	482.40
October, 2021	552.20	468.85	513.70	552.00	474.35	514.15
November, 2021	544.00	464.20	474.85	539.40	461.25	472.65
December, 2021	537.50	446.65	485.45	537.35	448.00	485.35
January, 2022	627.95	480.85	611.30	627.90	481.60	610.25
February, 2022	639.00	462.00	486.50	639.30	461.35	486.25
March, 2022	576.80	472.20	539.85	563.00	477.10	539.15

7. **Stock Performance in comparison to broad based indices**

The charts below show the comparison of the monthly closing price of the Company movement on BSE and NSE vis-`a-vis the movement of the monthly closing price of the BSE Sensex & NSE Nifty for the financial year ended March 31, 2022.





8. **Registrar and Transfer Agent**

Name of Registrar and Transfer Agent	KFin Technologies Limited (earlier known as KFin Technologies Private Limited)
Address	"Selenium Tower B", Plot No. 31 & 32, Financial District, Nanakramguda, Gachibowli, Hyderabad – 500032 Telangana
Tel. No.:	040-67162222
E-mail id:	suresh.d@kfintech.com /einward.ris@kfintech.com

9. **Share Transfer System**

Trading in the equity shares of the company can be done through recognized stock exchanges only in dematerialized form. As on March 31, 2022, all equity shares of the company were in demat form.

Transfers of equity shares in electronic form are effected through the depositories with no involvement of the company.

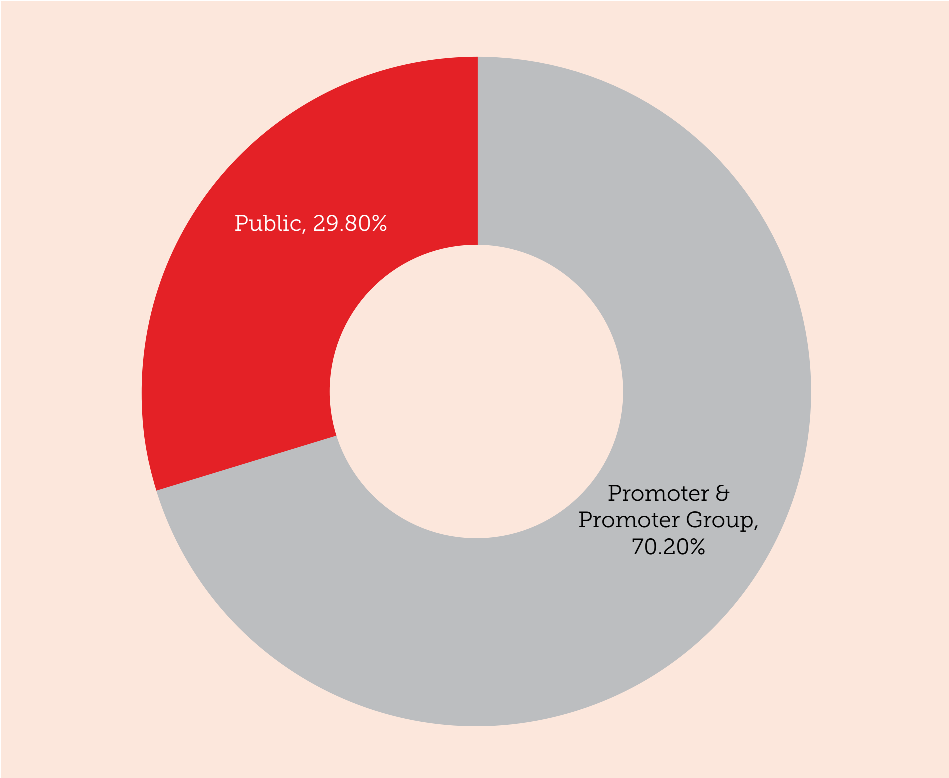
10. **Distribution of shareholding**

The distribution of shareholding of the Company as on March 31, 2022 is as follows:

Sr. No.	Category	No. of Shareholders	Total Shareholders (%)	Amount (in ₹)	Total Amount (%)
1	1 - 5000	33,239	94.64	2,24,33,600.00	6.23
2	5001 - 10000	976	2.78	75,55,540.00	2.10
3	10001 - 20000	462	1.32	68,35,900.00	1.90
4	20001 - 30000	159	0.45	40,83,750.00	1.13
5	30001 - 40000	65	0.19	23,61,450.00	0.66
6	40001 - 50000	48	0.14	22,77,550.00	0.63
7	50001 - 100000	90	0.26	65,01,020.00	1.81
8	100001 and above	84	0.24	30,79,51,190.00	85.54
	Total	**35,123**	**100.00**	**36,00,00,000.00**	**100.00**

Category-vise Shareholding as on March 31, 2022

Sr. No.	Category	No. of Equity Shares	% of Total no of Shareholding
1	**Promoters and Promoter Group**		
	Indian Individuals	2,52,73,308	70.20
	Total (1)	**2,52,73,308**	**70.20**
2	**Public Shareholding:**		
a.	**Institutions**		
	Mutual Funds	10,51,110	2.92
	Foreign Portfolio Investors	6,40,650	1.78
	Insurance Companies	12,145	0.03
	Alternative Investment Funds	6,55,209	1.82
b.	**Non-Institutions**		
	Indian Individuals	53,22,327	14.78
	NBFCs Registered with RBI	17,000	0.05
	Non Resident Indians	2,49,903	0.69
	Clearing Members	47,555	0.13
	Bodies Corporates	24,41,354	6.78
	HUF	2,82,887	0.79
	Beneficial Holdings under MGT-4	6,552	0.02
	Total (2)	**1,07,26,692**	**29.80**
	Total (1+2)	**3,60,00,000**	**100**



11. Dematerialisation of Shares

Equity shares of the company can be traded in dematerialized form only. The company has established connectivity with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) through its Registrar & Share Transfer Agent. The ISIN allotted in respect of equity shares of ₹10/- each of the Company by NSDL/CDSL is **INE488V01015**.

Break up of shares in physical and demat form as on March 31, 2022 is as under:

Sr. No.	Particulars	No. of Equity Shares	% of Equity Shares
1.	Demat		
	NSDL	3,20,82,239	89.12
	CDSL	39,17,761	10.88
2.	Physical	0.00	0.00
	Total	**3,60,00,000**	**100**

12. Reconciliation of Share Capital Audit

In compliance with regulation 76 of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time, a qualified Practising Company Secretary carries out Reconciliation of Share Capital Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges. The Audit confirms that the total listed and paid-up capital is in agreement with the aggregate of the total number of shares in dematerialised form and in physical form, if any.

13. The company does not have any GDRs/ADRs/Warrants or any Convertible Instruments other than Equity Shares.

14. Commodity price risk or foreign exchange risk and hedging: Not Applicable

15. **Plant Locations:**

Your Company has entered in to the business of manufacturing of Precast Concrete at its plant situated at PSP Precast Factory, Opp. Credo silver birches, Nr. Asiatic Composite Ltd. Sanand Nalsarovar Road, Mankol village, Sanand-382110, Gujarat, India

16. **Address for correspondence:**

Kenan Patel	**KFin Technologies Limited**
Company Secretary & Compliance Officer PSP Projects Limited 'PSP House', Opp. Celesta Courtyard, Opp. Lane of Vikramnagar Colony, Iscon-Ambli Road, Ahmedabad – 380058 Phone: 079-26936200 / +91 95120 44644 Email: grievance@pspprojects.com Website – www.pspprojects.com	"Selenium Tower B", Plot No. 31 & 32, Financial District, Nanakramguda, Gachibowli, Hyderabad – 500032 Tel: 040- 67162222 Email: suresh.d@kfintech.com/ einward.ris@kfintech.com Website: https://www.kfintech.com/

17. **Credit Ratings:**

During the year under review, your company has got reaffirmation on credit ratings from CARE Rating Limited, a reputed Credit Rating Agency for its Long term and Short term Bank Facilities. The Credit Rating Agency has reaffirmed and assigned its rating of CARE A+; Stable [Single A Plus; Outlook: Stable] for its Long-term Bank Facilities aggregating to ₹145.00 Crores, CARE A+; Stable / CARE A1+ [Single A Plus; Outlook: Stable, A One Plus] for its Long-term/ Short-term Bank Facilities aggregating to ₹960.00 Crores and CARE A1+ [A One Plus] for its Short-term Bank Facilities.

5. OTHER DISCLOSURES

(a) **Disclosure on materially significant Related Party Transactions**

During the year under review, there was no materially significant related party transaction undertaken by your company under Section 188 of the Companies Act, 2013 read with rules framed thereunder and Regulation 23 of the Listing Regulations which may have potential conflict with the interest of the Company at large.

Your Company has entered into transactions with related parties as defined under Section 2(76) of the Companies Act, 2013, which were in the ordinary course of business and at arms' length basis and the same were duly approved by the Audit Committee.

Details of related party information and transactions are placed before the Audit Committee on a quarterly basis. The half yearly disclosures of related party transactions are submitted on timely basis with the stock exchanges on which the equity shares of your company is listed and the same are also published on the website of the Company.

The details of Related Party Transactions are disclosed in financial statements which forms part of this Annual Report.

Your Company has formulated a policy on dealing with related party transactions which is available on its website of the company at https://www.pspprojects.com/wp-content/uploads/2022/01/Policy-on-Materiality-of-RPT_27.01.2022.pdf).

(b) **Statutory Compliance, Penalties and Strictures**

Your Company has complied with all the rules, regulations and guidelines of issued by SEBI and other Statutory Authorities on all matters relating to capital markets since its listing on the Stock Exchanges. There has been no instance of non-compliance by the Company wherein penalties or strictures have been imposed by SEBI, Stock Exchanges or any statutory authorities on matters relating to capital markets since its listing on the Stock Exchanges.

(c) **CEO and CFO Certification**

The Managing Director & CEO and the Chief Financial Officer of the Company have certified to the Board in accordance with Regulation 17(8) read with Part B of Schedule II to the Listing Regulations pertaining to the accuracy of the financial statements and adequacy of internal controls for the financial year ended March 31, 2022 which is annexed herewith this report. They also provide quarterly certificate on financial results while placing the same before the Board pursuant to Regulation 33 of Listing Regulations.

(d) **Whistle Blower Mechanism**

Your Company has established a vigil mechanism through a Whistle Blower Policy for directors and employees in compliance with provision of the section 177 of the companies Act, 2013 read with rules framed thereunder and Regulation 23 of the Listing

Regulations to provide the directors and employees an avenue to raise concerns about unacceptable, improper practices and/or unethical practices and/or grievances and/or instances of leakage of Unpublished Price Sensitive information and also provides for direct access to the Chairman of the Audit Committee in exceptional cases.

No personnel of the company were denied access to the Audit Committee and there are no instances of any such access.

The whistle blower policy is available on the website of the company at https://www.pspprojects.com/wp-content/uploads/2017/10/Whistle-Blower-Policy-June-18-2021.pdf .

(e) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements

Your company has complied with all the mandatory requirements as specified in the Listing Regulations and simultaneously the non-mandatory requirements as specified in Part E of Schedule II are adopted by the company up to the following extent:

- As the quarterly and half yearly financial performance along with significant events are published in newspapers and are also available on the Company's website, the same are not being sent personally to the shareholders.
- The Company's financial statements of financial year 2021-22 does not contain any modified audit opinion.
- The Internal Auditor of the Company is an invitee to the Audit Committee Meetings and regularly attends the Meeting for reporting their findings of the internal audit to the Audit Committee Members.

(f) Policy on Material Subsidiaries

Your company does not have any material subsidiary, however the company has formulated a policy for determining a material subsidiary and the same is available on the website of the company at https://www.pspprojects.com/wp-content/uploads/2017/10/Policy-on-Material-Subsidiary-April-2019.pdf .

(g) Disclosure of commodity price risks and commodity hedging activities

Your Company is engaged into the business of Construction of buildings. Hence, Disclosure with respect to commodity price risks and commodity hedging activities are not applicable to the Company.

(h) Code for Prevention of Insider Trading

Your Company has instituted a code on prevention of insider trading in compliance with the SEBI (Prohibition of Insider Trading) Regulations. The Code lays down guidelines for procedures to be followed and disclosures to be made by insiders while trading in the securities of the Company. The Code was last amended by the Board of Directors on June 18, 2021.

Your company has also adopted a Code of Practices and Procedures for Fair Disclosure of UPSI for ensuring timely and adequate disclosure of Unpublished Price Sensitive Information which is available on the website of the company at https://www.pspprojects.com/wp-content/uploads/2017/10/Code-of-Fair-Disclosure-June-18-2021.pdf.

Your Company has also adopted a Policy on inquiry in case of leak or suspected leak of UPSI and Policy for Determination of Legitimate Purposes which is available on the website of the company at https://www.pspprojects.com/wp-content/uploads/2017/10/Policy-for-Procedure-of-Inquiry-In-Case-Of-Leak-of-UPSI.pdf .

(i) Code of Conduct for Directors and Senior Management

Your Company has laid down a Code of Conduct for all Board members and the Senior Management of the Company and the same is available on the website of the company at https://www.pspprojects.com/wp-content/uploads/2017/10/Code-of-Conduct-for-Board-and-Senior-Management-9.6.2020.pdf).

The code of conduct was circulated to all the members of the Board and senior management personnel and they have affirmed their compliance with the said code of conduct for the financial year ended March 31, 2022. A declaration to this effect issued by the Chairman, Managing Director & CEO is annexed herewith this report.

(j) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)

Your Company has not raised any funds through preferential allotment or qualified institutions placement. Thus, disclosure with respect to utilization of such funds during the financial year is not applicable to the Company.

(k) Certificate regarding disqualifications for continuing as Director

All the directors of your company have intimated in Form DIR- 8 pursuant to Section 164(2) read with rule 14(a) of Companies (Appointment and Qualification of Director) Rules, 2014 that they have not been debarred or disqualified from continuing as directors of the company at the beginning of the financial year.

A certificate from a company secretary in practice in this regard is annexed herewith this report.

(l) Details of non-acceptance of recommendation of any committee by the board

During the period under review, there was no such instance of non-acceptance of any recommendation of any committee by the board which is mandatorily required. The board has accepted all the recommendations of all the committees, which were mandatorily required during the financial year. It is only applicable where recommendation of / submission by the committee is required for the approval of the Board of Directors and shall not apply where prior approval of the relevant committee is required for undertaking any transaction under the Listing Regulations.

(m) **Details of fees paid to Statutory Auditors by company and its subsidiaries**

During the year under review, the total fees paid to the Statutory Auditors for all the services by your company and its subsidiaries, on consolidated basis amounts to ₹22.22 Lakhs (Rupees Twenty Two Lakhs Twenty Two Thousand Only). The said information also forms part of the Notes to the Financial Statements. The Company has not availed any services from the network firm/network entity of which the Statutory Auditors is a part.

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

Your company provides a healthy working environment to all the employees of the company. In line with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 (hereinafter referred as "the said Act") and Rules made there under, your company has in place a Policy on Sexual harassment (Prevention, Prohibition & Redressal) at Work Place and has an Internal Complaint Redressal Committee which is responsible for redressal of complaints related to sexual harassment.

During the year under review, your company has not received any complaints on sexual harassment nor there were any complaints required to be disposed of and hence no complaints remain pending as of March 31, 2022.

(o) **Accounting treatment in preparation of Financial Statements**

The Financial Statements have been prepared in accordance with Indian Accounting Standards ('INDAS') as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 and other relevant provisions of the Act.

(p) **Details of Compliance with Corporate Governance Requirements**

The Company had complied with Corporate Governance Requirements specified in Regulation 17 to 27 to the extent applicable and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Listing Regulations.

(q) **Disclosures with respect to demat suspense account/ unclaimed suspense account**

Your company does not have any share in the demat suspense account or unclaimed suspense account.

(r) **Green Initiative**

Your Company is concerned about the environment and utilizes natural resources in a sustainable way. The Ministry of Corporate Affairs (MCA), Government of India, through its Circular Nos. 17/2011 and 18/2011, dated April 21, 2011 and April 29, 2011, respectively, had allowed companies to send official documents to their shareholders electronically as a part of its green initiatives in corporate governance.

Ministry of Corporate Affairs vide its circular dated April 08, 2020, May 05, 2020, January 13, 2021, December 12, 2021, December 14, 2021, and May 05, 2022 has allowed the Company to conduct their AGM through Video Conferencing or Other Audio Visual Means. Hence, in order to ensure the effective participation, the members of the Company are requested to update their email address for receiving the link of e-AGM. Further, in accordance with the said circular, Notice convening the 14th Annual General Meeting, Audited Financial Statements, Board's Report, Auditor's Report and other documents are being sent to the email address provided by the Shareholders with the relevant depositories. The shareholders are requested to update their email addresses with their depository participants to ensure that the Annual Report and other documents reaches on their registered email Ids.

For & on behalf of the Board of Directors

Prahaladbhai S. Patel
Chairman, Managing Director & CEO
(DIN: 00037633)

Date: August 09, 2022
Place: Ahmedabad

Certificate under Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Board of Directors,
PSP Projects Limited

Sub: CEO and CFO Compliance Certificate

We, Prahaladbhai S. Patel, Managing Director and Chief Executive Officer and Hetal Patel, Chief Financial Officer of PSP Projects Limited ('the Company'), hereby certify that:

(a) That we have reviewed Standalone & Consolidated Financial Statements and Cash Flow Statement of the company for the year ended March 31, 2022 and that to the best of our knowledge and belief:

  (i) these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;

  (ii) these statements together present a true and fair review of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;

(b) That there are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended on March 31, 2022, which are fraudulent, illegal or violative of the Company's code of conduct;

(c) That we accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or proposed to take to ratify these deficiencies;

(d) That we have indicated to the auditors and the Audit committee:

  (i) significant changes in internal control over financial reporting during the year ended on March 31, 2022;

  (ii) significant changes in accounting policies during the year ended on March 31, 2022 and that the same have been disclosed in the notes to the financial statements; and

  (iii) any instances of significant fraud, of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For and on behalf of Board of Directors

Prahaladbhai S. Patel
Managing Director & CEO
(DIN: 00037633)

Hetal Patel
Chief Financial Officer

Date: May 27, 2022
Place: Ahmedabad

Declaration Regarding Affirmation of Code of Conduct

I, Prahaladbhai S. Patel, Chief Executive Officer of the Company, hereby declare and confirm that all the members of the Board and senior management of the company have affirmed compliance with the Code of Conduct for Board of Directors and Senior Management of the Company for the year ended March 31, 2022, as envisaged in Regulation 34(3) read with Schedule V (Part D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For & on behalf of the Board of Directors,

Prahaladbhai S. Patel
Chairman, Managing Director & CEO
(DIN: 00037633)

Date: August 09, 2022
Place: Ahmedabad

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
PSP PROJECTS LIMITED

We have examined the compliance of conditions of Corporate Governance by PSP Projects Limited ("the Company") for the year ended on March 31, 2022 as stipulated in the applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, pursuant to the Listing Agreement of the Company with the Stock Exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

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

CS Chirag Shah
Partner
Chirag Shah and Associates
FCS No.: 5545
C. P. No. 3498
UDIN : F005545D000765304
Peer Review Cert. No.: 704/2020

Date : August 09, 2022
Place : Ahmedabad

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
PSP Projects Limited
"PSP House", Opp. Celesta Courtyard,
Opp. lane of Vikram Nagar Colony,
Iscon-Ambli Road
Ahmedabad GJ 380058 IN

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of PSP Projects Limited having CIN L45201GJ2008PLC054868 and having registered office at "PSP House", Opp. Celesta Courtyard, Opp. lane of Vikram Nagar Colony, Iscon-Ambli Road Ahmedabad GJ 380058 IN. (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Prahaladbhai Shivrambhai Patel	00037633	26/08/2008
2.	Sandeepbhai Himatbhai Shah	00807162	01/09/2015
3.	Vasishtha Pramodbhai Patel	00808127	01/09/2015
4.	Zarana Pratik Patel	08580937	22/10/2019
5.	Pooja Prahladbhai Patel	07168083	24/04/2015
6.	Sagar Prahladbhai Patel	07168126	22/10/2019
7.	Chirag Narendra Shah	02583300	01/09/2015

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

CS Chirag Shah
Partner
Chirag Shah and Associates
FCS No.: 5545
C. P. No. 3498
UDIN : F005545D000765361
Peer Review Cer. No. 704/2020

Date: August 9, 2022
Place: Ahmedabad

Business Responsibility Report

Section A: General Information about the Company

1. **Corporate Identity Number (CIN) of the Company**: L45201GJ2008PLC054868
2. **Name of the Company**: PSP Projects Limited
3. **Registered address**: "PSP House", Opp. Celesta Courtyard, Opp. lane of Vikram Nagar Colony, Iscon- Ambli Road, Ahmedabad GJ 380058
4. **Website**: www.pspprojects.com
5. **E-mail id**: grievance@pspprojects.com
6. **Financial Year reported**: April 01, 2021 to March 31, 2022
7. **Sector(s) that the Company is engaged in (industrial activity code-wise)**:

Group	Class	Sub Class	Description
410	4100	41001	Construction of buildings carried out on own-account basis or on a fee or contract basis
410	4100	41002	Activities relating to alteration, addition, repair, maintenance carried out on own-account basis or on a fee or contract basis
410	4100	41003	Assembly and erection of prefabricated constructions on the site
239	2395	23955	Manufacture of hume pipes and other pre-fabricated structural components of cement and/or concrete for building or civil engineering

8. **List three key products/services that the Company manufactures/provides (as in balance sheet)**

   i) Construction of Buildings

9. **Total number of locations where business activity is undertaken by the Company**

   (a) Number of International Locations (Provide details of major 5): Nil

   (b) Number of National Locations: 05

   The Company has projects located in the following five states of the country:

Sr.no.	Name of the states
1.	Gujarat
2.	Maharashtra
3.	Rajasthan
4.	Uttar Pradesh
5.	Karnataka

10. Markets served by the Company – **Local/State/National**

Section B: Financial Details of the Company (On Standalone Basis)

1. **Paid up Capital (₹) :** 3,600 Lakhs
2. **Total Turnover (₹):** 1,74,875.88 Lakhs
3. **Total profit after taxes (₹):** 16,240.42 Lakhs
4. **Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):**

   The Company has spent ₹304.32 Lakhs on CSR activities, which is 2.09% of the average net profit of last three years computed as per the provisions of the Companies Act, 2013. The excess amount spent on CSR Activities amounting to ₹13.24 Lakhs will be adjusted/set-off in the immediately succeeding three financial years as per the provisions of Section 135(5) of the Companies Act, 2013 and rules made thereunder.

5. **List of activities in which expenditure in 4 above has been incurred:**

   During the year under review, CSR expenditure was incurred for the following activities:

   a) Promoting Education and enhancing vocational skills; and

b) Promoting Health and Preventive Care

Further details are included in the Annual Report on Corporate Social Responsibilities (CSR) Activities which forms part of this Annual Report.

Section C: Other Details

1. **Does the Company have any Subsidiary Company/ Companies?**

   Yes, as on March 31, 2022, the Company has two Wholly owned Subsidiaries viz. PSP Projects & Proactive Constructions Private Limited and PSP Foundation (A Section 8 Company).

2. **Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s):**

   The BR initiatives of the parent company are applicable to the subsidiary companies to the extent that they are material in relation to the business operations of the subsidiaries.

3. **Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]:**

   No other entities are mandated to participate in the BR initiative of the company.

Section D: BR Information

1. **Details of Director/Directors responsible for BR**

   (a) Details of the Director/Director responsible for implementation of the BR policy/policies

   1. DIN Number: 00037633
   2. Name: Prahaladbhai S. Patel
   3. Designation: Chairman, Managing Director and CEO

   (b) Details of the BR head

No.	Particulars	Details
1	DIN Number (if applicable)	00037633
2	Name	Prahaladbhai S. Patel
3	Designation	Chairman, Managing Director and CEO
4	Telephone number	079-26936200
5	e-mail id	grievance@pspprojects.com

2. **Principle-wise (as per NVGs) BR Policy/policies**

   Ministry of Corporate Affairs has revised the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business, 2011 (NVGs) and formulated the National Guidelines on Responsible Business Conduct (NGRBC). It has specified nine areas of business responsibility/business conduct as follows:

P1	Businesses should conduct and govern themselves with integrity in a manner that is Ethical, Transparent and Accountable.
P2	Businesses should provide goods and services in a manner that is sustainable and safe.
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains.
P4	Businesses should respect the interests of and be responsive to all their stakeholders.
P5	Businesses should respect and promote human rights.
P6	Businesses should respect and make efforts to protect and restore the environment.
P7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.
P8	Businesses should promote inclusive growth and equitable development.
P9	Businesses should engage with and provide value to their consumers in a responsible manner.

(a) Details of compliance (Reply in Y/N)

		Business Ethics, Transparency and Accountability	Product Life Responsibility	Employee Well-being	Stakeholder Engagement	Human Rights	Environmental Protection	Public Policy	Inclusive Growth and equitable development	Customer Value
No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for....	Y	Y	Y	Y	Y	Y	N	Y	N
2	Has the policy being formulated in consultation with the relevant stakeholders? (Refer note 1)	Y	Y	Y	Y	Y	Y	NA	Y	NA
3	Does the policy conform to any national / international standards? If yes, specify? (50 words) (Refer note 2)	Y	Y	Y	Y	Y	Y	NA	Y	NA
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director? (Refer note 3)	Y	Y	Y	Y	Y	Y	NA	Y	NA
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	NA	Y	NA
6.	Indicate the link for the policy to be viewed online?	https://www.pspprojects.com/policies-code-conduct/ https://www.pspprojects.com/corporate-policies/								NA
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	NA	Y	NA
8.	Does the company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	NA	Y	NA
9.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	NA	Y	NA
10.	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency? (Refer note 4)	Y	Y	Y	Y	Y	Y	NA	Y	NA

Note:

1. The policies have been communicated to relevant key stakeholders. The communication is an ongoing process to cover all internal & external shareholders.
2. The policies confirm to the provisions of the Companies Act, 2013. In addition, relevant policies are also in conformity with international standards such as ISO 9001:2015, ISO 14001, ISO 45001: 2018, Sustainability Development Goals (SDGs) and its related targets, as applicable to respective policies.
3. The Policies are being signed by the Managing Director and CEO of the Company.
4. While the Company has not carried out independent audit of the policies, the Board and its committees evaluate the working of certain policies. The implementation of the HR Policies and practices is overseen by the Vice President - Human Resources. Moreover, the internal audit function carries out an audit of processes and practices across functions of the Company.

Principle wise Policies:

	Principle	Reference Document
P1	Business Ethics, Transparency and Accountability	• Code of Conduct for Board of Directors and senior management • Whistle blower policy • Policy on Related Party Transactions • Code of Practices and Procedures for Fair Disclosure of Unpublished price sensitive information(UPSI) • Code of Conduct to Regulate, Monitor and Report Trading by Insiders • Policy on Sexual Harassment (Prevention, Prohibition & Redressal) at workplace Also, there is a Report on Corporate Governance which forms part of the Annual report.
P2	Product Life Responsibility	• EHS Policy • Corporate Social Responsibility policy.
P3	Wellbeing of employees	• HR policies and practices • Policy on Sexual Harassment (Prevention, Prohibition & Redressal) at workplace • Nomination and Remuneration Policy • Whistle blower policy • EHS Policy
P4	Stakeholders Engagement	• Corporate Social Responsibility Policy • Dividend Distribution Policy.
P5	Human rights	• Whistle blower policy • Policy on Sexual Harassment (Prevention, Prohibition & Redressal) at workplace. The Company also complies with other applicable regulations.
P6	Environmental Protection	• EHS policy. • Corporate Social Responsibility Policy
P7	Public Policy	There is no specific Public Policy, however the company is a member of many industry associations such as Confederation of Indian Industry, Gujarat Safety Council, Indian Green Building Council, Gujarat Chamber of Commerce and Industry and Precast Society of India.
P8	Inclusive growth and equitable development.	• Corporate Social Responsibility Policy • Policy on Sexual Harassment (Prevention, Prohibition & Redressal) at workplace.
P9	Customers Value	Not Applicable

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The company has not understood the Principles	-	-	-	-	-	-	-	-	-
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-	-	-	-	-	-	-
3	The company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
4	It is planned to be done within next 6 Months	-	-	-	-	-	-	-	-	-
5	It is planned to be done within the next 1 year	-	-	-	-	-	-	-	-	-
6	Any other reason (please specify)	-	-	-	-	-	-	Refer note 1	-	Refer note 2

Notes:

1. The company does not have a specific policy for public advocacy. The company is a member of industry associations such as Confederation of Indian Industry, Gujarat Safety Council, Indian Green Building Council, Gujarat Chamber of Commerce and Industry and Precast Society of India.
2. The company does not have a separate policy for customer value.

3. **Governance related to BR**

   (a) **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year**

   The BR performance of the Company is assessed annually.

   (b) **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

   This is the third Business Responsibility Report of the Company as per the National Voluntary Guidelines on Social, Environmental and Economic Responsibility of Business (NVG) and as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is published as a part of this Annual report. The Business Responsibility Reports can be assessed at https://www.pspprojects.com/financial-performance/.

   Presently, the Company does not publish a separate sustainability report.

Section E: Principle-Wise Performance

Principle 1: Businesses should conduct and govern themselves with integrity in a manner that is Ethical, Transparent and Accountable

1. **Does the policy relating to ethics, bribery and corruption cover only the company? Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs /Others?**

   The Company has adopted a Code of Conduct for Board of Directors and Senior Management Personnel to enhance the ethical standards and transparent process in managing the affairs of the company and thus to sustain the trust and confidence shown in the Management by the shareholders of the Company and to develop a culture of honesty and accountability. This Code does not extend to other entities.

   The members of the Board of Directors and Senior Management Personnel of the Company annually affirm compliance of this code.

   The Company also has in place a Whistle Blower Policy to provide the Directors and employees an avenue to raise concerns about unacceptable, improper practices and/or unethical practices and/or grievances and/or instances of leakage of unpublished price sensitive information, in line with the company's commitment to the highest possible standards of ethical, moral and legal business conduct and its commitment to open communication. This policy provides for adequate safeguards against victimisation of whistle blower i.e. a person who uses such mechanism and also provides for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.

   Further, the Company also has a Code of Conduct to regulate, monitor and report trading by Designated Persons and immediate relatives of Designated Persons and Code of Practices and Procedures for fair disclosure of unpublished price sensitive information (UPSI) and to preserve the confidentiality and prevent misuse of such information. The Code is applicable to all the designated employees of the Company, its subsidiaries and joint ventures, who may be deemed to have access to unpublished price sensitive information.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

   No stakeholder complaints were received in the past financial year. The status of investor complaints received and resolved during the financial year are disclosed in the Corporate Governance report which forms part of this Annual report.

Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

   - Management and Execution of Residential, Commercial, Industrial, Institutional buildings and infrastructure projects.
   - Manufacturing of Precast Concrete.

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):**

   (a) **Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?**

   During the construction lifecycle, the Company incorporates and encourages various practices which helps to optimize carbon footprint, including but not limited to:

   - Procure the major construction materials locally to avoid fuel wastage
   - The illumination in our site infrastructure are totally LED and we encourage clients also to follow the same for the project.
   - Usage of Fly ash up to permissible limit to reduce cement usage in concrete.

- Usage of AAC block (Green Build Certified) instead of the Clay Bricks.
- Most of our projects have Solar Rooftop which generates energy.
- Sprinkling water at site to avoid dust pollution.

There are many such practices and products which includes Sewage Treatment plant (STP), Water Treatment Plant (WTP), rainwater harvesting, Glass façade, Gypsum plaster instead of the Cement Plaster used in the sustainability projects.

(b) **Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

Not Applicable. The Company is not in the business of manufacturing goods or consumable products and hence the details are not provided.

3. **Does the company have procedures in place for sustainable sourcing (including transportation)? (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

The Company has 43 ongoing projects in India. The first and foremost practice is to procure locally to support the sustainable sourcing & generating employment for the locals as well as eliminating unnecessary transportation. Also during the project lifecycle, we encourage our clients to adopt Green Certification and sustainable design. We also encourage them to select the material certified by Green Rating for Integrated Habitat Assessment or Indian Green Building Council.

4. **Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

Yes, during the time of execution of projects, we prioritize to procure materials to the extent possible and permitted from local suppliers/ vendors, which includes major construction materials, such as sand, stone aggregates, bricks, etc. thereby creating direct and indirect economic impact in the surrounding regions.

The Company also prioritizes to recruit permanent as well as contractual manpower from local area where the project is to be executed which leads to creation of employment of the local population and improves their capacity and capability.

5. **Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.-**

The Concrete wastage generated at Precast plant of the Company is being used in Backfilling areas. STP treated water is being used in garden area of the plant And the Hazardous wastes, if any, are disposed as per the statutory provisions.

Principle 3 : Businesses should respect and promote the well-being of all employees, including those in their value chains.

1. **Please indicate the Total number of employees.**

The Company has a total of 1,345 number of employees as on March 31, 2022.

2. **Please indicate the Total number of employees hired on temporary/contractual/casual basis.**

The Company has a total of 2 employees hired on contractual basis as on March 31, 2022.

3. **Please indicate the Number of permanent women employees:**

The Company has 31 permanent women employees as on March 31, 2022.

4. **Please indicate the Number of permanent employees with disabilities:**

There are no permanent employees with disabilities as on March 31, 2022.

5. **Do you have an employee association that is recognized by management?**

The Company does not have any employee association recognized by the Management.

6. **What percentage of your permanent employees is members of this recognized employee association?**

Not applicable

7. **Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

During the period under review, no complaints relating to child labour/forced labour/involuntary labour or sexual harassment or discriminatory employment has been received by the Company.

Sr.No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/forced labour/involuntary labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

8. **What percentage of your under mentioned employees were given safety & skill upgradation training in the last year?**

   The details of safety & skill up trains undertaken during the year under review are as under:

   (a) Permanent Employees : 9.88

   (b) Permanent Women Employees : 67.74

   (c) Casual/Temporary/Contractual Employees: Nil

   (d) Employees with Disabilities : Not applicable

   Moreover, the Company follows the practice of conducting mandatory safety induction trainings for all its new personnel across its sites. The Company also provides special trainings such as trainings for work at height, Scaffolding, Electric Safety, Fire Fighting equipment, Hot work, tool box training and such others.

   During the last financial year, the Company also provided training for Covid-19 awareness to all its employees and workers at its sites.

Principle 4: Businesses should respect the interests of and be responsive to all their stakeholders.

1. **Has the company mapped its internal and external stakeholders?**

   Yes. Employees are its internal stakeholders of the Company. The Company has mapped the Internal Stakeholders with the shareholders, suppliers, vendors, clients, regulators and its local communities around its site operations, who are the external stakeholders of the Company.

2. **Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.**

   Yes, the Company has identified the disadvantaged, vulnerable, and marginalized stakeholders, particularly for internal stakeholders and within its local communities around its site operations.

3. **Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.**

   Yes, the Company's CSR initiatives focus on promoting sustainable growth of the society and communities in which it operates. During the period under review, the Company identified and implemented projects in the areas of education and enhancement of vocational skills by providing scholarship support to meritorious students and health and preventive care by providing healthcare facilities at affordable prices and contributed towards COVID-19 relief efforts.

   The Company has its CSR arm in the name and style of PSP Foundation for promotion of its CSR activities of the Company.

   Further details are included in the Annual Report on CSR activities which forms part of this Annual Report.

Principle 5: Businesses should respect and promote human rights.

1. **Does the policy of the company on human rights cover only the company or extend to the Group/ Joint Ventures/Suppliers/Contractors/NGOs/ Others?**

   The Company has adopted Whistle Blower policy, Prevention of Sexual Harassment policy and HR policy within the organization, which majorly covers all the aspects pertaining to human rights. Moreover, the Company abides by all the applicable labour laws and other statutory requirements to maintain the highest labour standards and take necessary protection measures. The Company does not hire child labour, forced labour or involuntary labour. This practice extends to its subsidiaries, JV and group companies. The Suppliers / Contractors dealing with the Company are encouraged to maintain ethical standards in all their practices.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

   No stakeholder complaints were received during the last financial year.

Principle 6: Businesses should respect and make efforts to protect and restore the environment.

1. **Does the policy relate to Principle 6 cover only the company or extends to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/others?**

   The Company has adopted an EHS Policy as these aspects are integral to the Company's business values. The JV, group companies, suppliers, contractors dealing with the Company are encouraged to maintain ethical standards in all their practices and adhere to the best environmental practices.

2. **Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.**

   Yes, the Company takes initiatives to address environmental issues. There are two stages where the Company plays major role to implement & achieve. First are the Company's internal processes during the site construction/implementation stage where it has adopted many practices such as Procuring Material locally, Site illumination in LED, Usage of Fly ash, Usage of AAC block, Solar Rooftop, Sewage Treatment plant (STP), Water Treatment Plant (WTP), rainwater harvesting, Glass façade, Gypsum plaster etc. and still explores new opportunities towards sustainable practices. At the second stage, the Company endeavors to encourage clients to adopt green practices up to a certain level. The Company has planted more than 1500 trees at its precast plant.

   With this approach, the Company has already completed 10 projects having Green Building certifications by IGBC/GRIHA and is currently executing 9 more projects which will achieve the same kind of certifications. The green concepts and techniques helps to address issues like water efficiency, energy efficiency, reduction in fossil fuel use in commuting, handling of consumer waste and conserving natural resources.

3. **Does the company identify and assess potential environmental risks? Y/N**

   Yes, the Company identifies and assess risks including environmental risks. The Company conforms to the ISO 14001:2015 certification for its environmental management systems, ISO 9001:2015 for quality management systems and ISO 45001-2018 for occupational health and safety management.

4. **Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

   Not Applicable

5. **Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

   The Company has taken various initiatives for energy efficiency and renewable energy such as:

   - Installation of Solar panels at its corporate office;
   - Installation of Solar Panels with capacity of 425 KW at the precast factory;
   - Usage of LED Lights at office premises and LED Flood Lights instead of Halogens at all sites.
   - Usage of Double Glass at the Corporate office.

6. **Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

   Yes

7. **Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.** – NIL

Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

1. **Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

   Yes. The Company is a member of the following associations:

   (a) Confederation of Indian Industry;

   (b) Gujarat Contractors Association;

   (c) Gujarat Safety Council;

   (d) Indian Green Building Council;

   (e) Precast Society of India.

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

   No.

Principle 8: Businesses should promote inclusive growth and equitable development.

1. **Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

   Yes, the Company has formulated a Corporate Social Responsibility Policy in line with the requirement of Section 135 of the Companies Act, 2013.

   The CSR Policy is available on the website of the company at https://www.pspprojects.com/wp-content/uploads/2017/09/CSR-Policy.pdf. The Company's CSR Policy ensures that the Company is committed to operate its business in an economically, socially and environmentally sustainable manner, while recognizing the interests of all its stakeholders of the Company and to impact the society with its efforts towards CSR.

   Major thrust areas of the Company's CSR initiatives during the financial year 2021-22 were Promotion of Education, and Promotion of Health care.

   The Annual Report on CSR activities of the company is annexed as **Annexure B** to Board's Report.

2. **Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organization?**

   Yes, the Company has undertaken projects on its own while it also collaborates with credible NGOs, charitable foundations and other institutions for implementation of the CSR initiatives.

3. **Have you done any impact assessment of your initiative?**

   The CSR programmes and their impacts / outcomes are monitored and reviewed by the CSR Committee of the Board and management periodically, to understand the impact of these programmes.

4. **What is your company's direct contribution to community development projects- Amount in ₹ and the details of the projects undertaken?**

   For the financial year 2021-22, the Company's CSR obligation was ₹291.08 Lakhs while the Company has spent ₹304.32 Lakhs on the CSR activities in the areas of promoting education, and health care including preventive care implemented through various implementing agencies.

   The Annual Report on CSR activities of the Company is annexed as **Annexure B** to Board's Report.

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

   The CSR initiatives are carried out in accordance with the CSR Policy of the Company. The projects undertaken are internally reviewed and assessed by the CSR committee of the Company. The NGOs and charitable foundations are periodically tracked to determine the outcomes and benefits of the contributions made by the Company.

Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner.

1. **What percentage of customer complaints/ consumer cases are pending as on the end of financial year?**

   All customer concerns and grievances are promptly addressed and dealt directly by the senior managerial personnel of the Company.

2. **Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)**

   Not applicable. Further, with regard to manifesting of Precast, the Company is producing finished goods which are customized products as per client and design requirement, hence product label is not applicable as per mandated laws. However, the Company is using labels for quality assurance and control.

3. **Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.**

   Nil

4. **Did your company carry out any consumer survey/ consumer satisfaction trends?**

   No

For & on behalf of the Board of Directors

Prahaladbhai S. Patel
Chairman, Managing Director & CEO
(DIN: 00037633)

Date: August 09, 2022
Place: Ahmedabad

FINANCIAL SECTION

Independent Auditor's Report

To the members of PSP Projects Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of PSP Projects Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Expense), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'standalone financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act"), in the manner so required, and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and its profit, total comprehensive expense, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S. No.	Key Audit Matter	Auditor's Response
	Revenue Recognition and Trade Receivables	

1.	There are significant accounting judgements including estimation of costs to complete, determining the stage of completion and the timing of revenue recognition.
	
	The Company recognises revenue and profit/loss on the basis of stage of completion based on the proportion of contract costs incurred at balance sheet date.
	
	The Indian Accounting Standard requires an entity to select a single measurement method for the relevant performance obligation that depicts the entity's performance in transferring goods or services or if a contract is onerous, present obligations are recognised and measured as provisions.
		Our procedures included:
		➢ Testing of the design and implementation of controls involved for the determination of the estimates used as well as their operating effectiveness;
		➢ We selected a sample of contracts to test, using a risk based criteria which included individual contracts with:
		  ➢ significant revenue recognised during the year or
		  ➢ significant accrued value of work done balances held at the year-end;
		➢ Obtained an understanding of management's process for reviewing long term contracts, the risk associated with the contract and any key judgments.
		➢ Evaluated the design and implementation of key internal controls over the contract revenue and cost estimation process through the combination of procedures involving inquiry and observations, reperformance and inspection of evidence in respect of operations of these controls.

S. No.	Key Audit Matter	Auditor's Response
	We identified contract accounting as a key audit matter because the estimation of the total revenue and total cost to complete the contract, prepared based on the prevailing circumstances, is inherently subjective, complex and requires significant management judgment and forecast of contract revenue and/or contract cost may get subsequently changed due to change in prevailing circumstances, assumptions, contract variations or any other factor, and could result in material variance in the revenue and profit or loss from contract for the reporting period. Receivables has been considered a key audit matter due to the significance of the amount (₹ 31,177.92 lakh) and element of judgement involved in overall management assessment of the customers' ability to repay the outstanding balance. Refer to Note No. 2.15, 12 and 39 of the Standalone Financial Statements	➢ Verified underlying documents such as original contract, and its amendments, if any, key contract terms and milestones, etc. for verifying the estimation of contract revenue and costs and /or any change in such estimation. ➢ Inquired with management on the progress of works and collections from customers to identify specific customers with which the company might have disagreements or disputes. ➢ Tested samples of un-invoiced revenue entries with reference to the reports from the records and costs incurred against the services delivered to confirm the work performed and application of appropriate margin applied for the respective services. ➢ Tested cut-offs for revenue recognised against un-invoiced amounts by matching the revenue accrual against accruals for corresponding cost. ➢ Reviewed the work done and collection history of customers against whose contracts unbilled revenue is recognised; and verification of subsequent receipts, post balance sheet date. ➢ Obtained confirmations from customers on sample basis to support existence assertion of trade receivables and assessed the relevant disclosures made in the Standalone Financial Statements; to ensure revenue from contracts with customers are in accordance with the requirements of relevant accounting standards.

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

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditors' responsibilities relating to other Information'.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's responsibility for the Standalone Financial Statements

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

In preparing the standalone financial statements, management and Board of Directors are 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 or Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the 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, make it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work: and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

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

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

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

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

    (c) The Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Expense), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended dealt with by this Report are in agreement with the books of account.

    (d) In our opinion, the standalone financial statements comply with the Ind AS specified under section 133 of the Act and the Rules thereunder, as amended.

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

    (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to the financial statements and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B' to this report.

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

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

        (i) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. Please refer Note No. 38.

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

        (iii) The Company was not required to transfer any amount to the Investor Education and Protection Fund during the year.

        (iv) (a) The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in 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(s) or entity(ies), including foreign entities ("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 aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding

Parties"), with the understanding, whether recorded in writing or otherwise, 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; and

(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 of the Companies (Audit and Auditors) Rules, 2014, as provided in (a) and (b) above, contain any material misstatement.

(v) The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend. As stated in note 15 to the standalone Ind AS financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

For Kantilal Patel & Co.
Chartered Accountants
ICAI Firm registration number: 104744W

Jinal A. Patel
Partner
Membership No.: 153599
Place: Ahmedabad
Date: May 27, 2022
UDIN: 22153599AJSFYY5088

For Riddhi P. Sheth & Co.
Chartered Accountants
ICAI Firm registration number: 140190W

Riddhi P. Sheth
Proprietor
Membership No.: 159123
Place: Ahmedabad
Date: May 27, 2022
UDIN: 22159123AJRYDS1055

Annexure A to the Independent Auditor's Report of even date on the Standalone Financial Statements of PSP Projects Limited

(Referred to in paragraph 1 under 'Report on other legal and regulatory requirements' section of our report of even date to the members of PSP Projects Limited)

To the best of our information and according to the explanations provided to us by the Company and the books of accounts and the records examined by us in the normal course of audit, we state 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 Company has a program of physical verification of Property, Plant and Equipment, so as to cover all the assets every year which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, Property, Plant and Equipment due for verification during the year were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Based on our examination of the property tax receipts, registered sale deed/ transfer deed/ conveyance deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties, disclosed in the standalone financial statementsincluded under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.

(d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) Physical verification of inventory has been conducted at reasonable intervals by the management and in our opinion, the coverage and procedure of such verification by the management is appropriate. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such verification.

(b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate from banks on the basis of security of current assets. The quarterly returns/statements filed by the Company with such banks are in agreement with the books of account of the Company.

(iii) (a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.

(b) During the year the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans, investments and guarantees to companies, firms, Limited Liability Partnerships, or any other parties are not prejudicial to the Company's interest.

(c) In the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular except for the loans reported in clause 3(iii)(f) of this report below. There has been no default on the part of the party to whom the money has been lent. The payment of interest has been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.

(d) There is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

(e) There is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

(f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment except for the following loans or advances in the nature of loans to its Promoters and related parties as defined in Clause (76) of Section 2 of the Act:

(₹ in Lakhs)

	All Parties	Promoters	Related Parties
Aggregate amount of loans/ advances in nature of loans			
Repayable on demand (A)			773.54
Agreement does not specify any terms or period of repayment (B)			-
Total (A+B)			**773.54**
Percentage of loans/ advances in nature of loans to the total loans			100%

(iv) The Company has complied with the provisions of sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) In respect of statutory dues:

(a) In our opinion, the Company has generally been regular in depositing the undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues, as applicable, to the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

(c) The details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2022 on account of disputes, are given below:

Name of the Statute	Nature of the Dues	Amount (₹ in Lakhs)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Gujarat Value Added Tax Act, 2003	Sales tax liability on the reason being non-production of custom authority endorsed bills of SEZ supply	252.55	2016-17 & 2017-18	Commissioner Appeals	-
The Finance Act, 1994	Service tax dues in relation to dispute regarding the availing of exemption for services rendered under the erstwhile service tax regime	158.78	2012-13 to 2014-15	CESTAT	-

(viii) 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) The Company is regular in repayment of loans or other borrowings or in payment of interest thereon to lenders.

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

(c) The Company has utilised the money obtained by way of term loans during the year for the purpose for which they were obtained.

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

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

(x) (a) The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence, reporting under clause 3(x)(b) of the Order is not applicable.

(xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of Section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year.

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

(xii) In our opinion, the Company is not a Nidhi company. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion, the Company is in compliance with Section 177 and Section 188 of the Act with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

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

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

(xv) In our opinion, during the year, the Company has not entered into non-cash transactions with directors or persons connected with its directors, and hence, provisions of section 192 of Act are not applicable to the Company.

(xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clauses 3(xvi)(a), (b), and (c) of the Order is not applicable to the Company.

(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016). Hence, reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(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 and our knowledge of the board of directors and management plans, and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that the Company is not capable of meeting its liabilities existing at the date of the balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Act in compliance with the second proviso to sub-section (5) of Section 135 of the Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable.

(b) There are no unspent amounts towards Corporate Social Responsibility (CSR) on ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Act in compliance with sub-section (6) of Section 135 of the Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable.

For Kantilal Patel & Co.
Chartered Accountants
ICAI Firm registration number: 104744W

Jinal A. Patel
Partner
Membership No.: 153599
Place: Ahmedabad
Date: May 27, 2022
UDIN: 22153599AJSFYY5088

For Riddhi P. Sheth & Co.
Chartered Accountants
ICAI Firm registration number: 140190W

Riddhi P. Sheth
Proprietor
Membership No.: 159123
Place: Ahmedabad
Date: May 27, 2022
UDIN: 22159123AJRYDS1055

Annexure B to the Independent Auditor's Report of even date on the Standalone Financial Statements of PSP Projects Limited

Referred to in paragraph 2(f) under 'Report on other legal and regulatory requirements' section of our report of even date to the members of PSP Projects Limited)

Report on the internal financial controls with reference to the standalone financial statements under section 143(3)(i) of the Act

We have audited the internal financial controls over financial reporting of the Company as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's responsibility for internal financial controls

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

Auditor's responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the SAs prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those SAs and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of internal financial controls over financial reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these standalone financial statements includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of the standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the standalone financial statements.

Inherent limitations of internal financial controls over financial reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to the standalone financial statements and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Kantilal Patel & Co.
Chartered Accountants
ICAI Firm registration number: 104744W

Jinal A. Patel
Partner
Membership No.: 153599
Place: Ahmedabad
Date: May 27, 2022
UDIN: 22153599AJSFYY5088

For Riddhi P. Sheth & Co.
Chartered Accountants
ICAI Firm registration number: 140190W

Riddhi P. Sheth
Proprietor
Membership No.: 159123
Place: Ahmedabad
Date: May 27, 2022
UDIN: 22159123AJRYDS1055

Standalone Balance Sheet as at March 31, 2022

(₹ in Lakhs)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
ASSETS			
(1) Non current Assets			
(a) Property, Plant and Equipment	3	20,601.82	11,494.34
(b) Capital Work-In-Progress	4	-	4,164.72
(c) Intangible Assets	5	135.31	124.34
(d) Financial Assets			
(i) Investments	6	71.68	78.37
(ii) Loans	7	-	2,574.55
(iii) Other Financial Assets	8	22,785.47	9,922.36
(e) Deferred Tax Asset (Net)	9	937.57	919.04
(f) Other Non Current Assets	10	191.63	646.72
Total Non-Current Assets		**44,723.48**	**29,924.44**
(2) Current Assets			
(a) Inventories	11	8,064.91	8,920.91
(b) Financial Assets			
(i) Trade receivables	12	31,177.92	22,203.74
(ii) Cash and cash equivalents	13	8,758.63	11,533.18
(iii) Bank Balances other than (ii) above	13	10,759.46	11,342.34
(iv) Loans	7	593.25	854.50
(v) Other Financial Assets	8	13,339.23	10,722.39
(c) Other Current Assets	10	9,243.74	3,536.57
Total Current Assets		**81,937.14**	**69,113.63**
Total Assets		**1,26,660.62**	**99,038.07**
EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share Capital	14	3,600.00	3,600.00
(b) Other Equity	15	64,871.52	50,199.27
Total Equity		**68,471.52**	**53,799.27**
Liabilities			
(2) Non-Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	1,718.07	278.33
(b) Provisions	17	151.87	79.05
Total Non-Current Liabilities		**1,869.94**	**357.38**
(3) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	8,247.62	7,817.96
(ii) Trade Payables	18		
- Total outstanding dues of micro enterprises and small enterprises		1,284.41	1,014.65
- Total outstanding dues of creditors other than micro enterprises and small enterprises		24,476.48	24,649.90
(iii) Other Financial Liabilities	19	3,600.55	2,149.02
(b) Other Current Liabilities	20	18,689.78	8,457.11
(c) Provisions	17	19.59	99.94
(d) Current Tax Liabilities (Net)	21	0.73	692.84
Total Current Liabilities		**56,319.16**	**44,881.42**
Total Liabilities		**58,189.10**	**45,238.80**
Total Equity and Liabilities		**1,26,660.62**	**99,038.07**

The Notes on Account form Integral part of the Financial Statements 1 to 50 (As per our report of even date)

For Kantilal Patel & Co
Chartered Accountants
ICAI Firm Reg. No. : 104744W

For Riddhi P. Sheth & Co.
Chartered Accountants
ICAI Firm Reg. No. : 140190W

For and on behalf of the Board of Directors

Jinal A. Patel
Partner
Membership No. : 153599

Riddhi P. Sheth
Proprietor
Membership No. : 159123

Prahaladbhai S. Patel
Chairman, Managing Director and CEO
(DIN: 00037633)

Pooja P. Patel
Whole Time Director
(DIN: 07168083)

Hetal Patel
Chief Financial Officer

Kenan Patel
Company Secretary
Membership No.: ACS 39981
Place: Ahmedabad
Date : May 27, 2022

Place: Ahmedabad
Date : May 27, 2022

Standalone Statement of Profit and Loss for the year ended March 31, 2022

(₹ in Lakhs)

	Particulars	Note No.	Year Ended March 31, 2022	Year Ended March 31, 2021
I	Revenue From Operations	22	1,74,875.88	1,24,086.24
II	Other Income	23	2,125.54	1,692.09
III	**Total Income (I+II)**		**1,77,001.42**	**1,25,778.33**
IV	**EXPENSES**			
	Cost of Construction Material Consumed	24	49,538.50	39,813.29
	Changes in Inventories of Finished Goods and Work-In-Progress	25	457.72	(236.52)
	Construction Expenses	26	89,132.40	64,442.68
	Employee Benefits Expense	27	7,233.92	5,089.37
	Finance Costs	28	2,639.62	1,469.12
	Depreciation and Amortization Expense	29	3,205.28	2,563.76
	Other Expenses	30	2,862.63	1,496.09
	Total Expenses (IV)		**1,55,070.07**	**1,14,637.79**
V	**Profit Before Excceptional Item and Tax (III-IV)**		**21,931.35**	**11,140.54**
VI	**Exceptional Gain/(Loss)(net of tax)**		-	(274.11)
VII	**Profit Before Tax (V-VI)**		**21,931.35**	**10,866.43**
VIII	**Tax Expense:**			
	(a) Current Tax	33	5,709.45	3,035.25
	(b) Deferred Tax	33	(18.52)	(247.86)
IX	**Profit for the year (VII-VIII)**		**16,240.42**	**8,079.04**
X	**Other Comprehensive Income/(Loss)**			
	Items that will not be reclassified to profit or loss			
	- Remeasurement gains/ (loss) of Defined benefit plans		(171.30)	12.32
	- Income tax expenses relating to items that will be reclassified to profit or loss		43.12	(3.10)
	Total Other Comprehensive Income/(loss) for the year (X)		**(128.18)**	**9.22**
XI	**Total Comprehensive Income for the year (IX+X)**		**16,112.24**	**8,088.26**
XII	**Earnings per equity share:**			
	Basic and Diluted (Face value ₹10 per equity share)	31	45.11	22.44

The Notes on Account form Integral part of the Financial Statements 1 to 50 (As per our report of even date)

For Kantilal Patel & Co
Chartered Accountants
ICAI Firm Reg. No. : 104744W

For Riddhi P. Sheth & Co.
Chartered Accountants
ICAI Firm Reg. No. : 140190W

For and on behalf of the Board of Directors

Jinal A. Patel
Partner
Membership No. : 153599

Riddhi P. Sheth
Proprietor
Membership No. : 159123

Prahaladbhai S. Patel
Chairman, Managing Director and CEO
(DIN: 00037633)

Pooja P. Patel
Whole Time Director
(DIN: 07168083)

Hetal Patel
Chief Financial Officer

Kenan Patel
Company Secretary
Membership No.: ACS 39981

Place: Ahmedabad
Date : May 27, 2022

Place: Ahmedabad
Date : May 27, 2022

Statement of Standalone Cash Flows for the year ended March 31, 2022

(₹ in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
A. Cash flow from operating activities		
Profit before tax	21,931.35	10,866.43
Adjustments for :		
Finance costs	910.82	822.06
Depreciation and amortisation expense	3,205.28	2,563.76
Expected credit loss allowance	322.76	34.14
Provision For Loss on Impairment of Loan	200.00	214.95
Reversal for Impairment of Loan	(214.95)	-
Provision For Loss on Impairment of Investment	-	274.11
Dividend Income	(3.16)	-
Interest Income	(1,750.18)	(1,677.81)
Loss / (Gain) on sale of Property, Plant and Equipment (Net)	7.94	28.70
Operating Profit before working capital changes	**24,609.86**	**13,126.34**
Movements in working capital:		
(Increase) / Decrease in Inventories	856.00	762.44
(Increase) / Decrease in trade receivable	(9,296.94)	162.12
(Increase) / Decrease in other assets	(3,620.48)	2,109.51
Increase / (Decrease) in trade payables	(5,747.11)	3,996.28
Increase / (Decrease) in other liabilities	11,785.16	(10,724.83)
Increase / (Decrease) in provisions	(178.83)	78.74
Cash generated from operations:	**18,407.66**	**9,510.60**
Direct taxes paid (net)	(6,358.44)	(2,427.62)
Net cash generated/(used) from operating activities (A)	**12,049.22**	**7,082.98**
B. Cash flows from investing activities		
Payment for Property, Plant and Equipment (PPE), Intangible assets and Capital Work-in-Progress	(7,659.57)	(7,926.77)
Proceeds from sale of Property, Plant and Equipment (PPE)	130.63	9.01
(Purchase) / Proceeds of term deposits (Net)	(10,870.72)	6,819.50
Loan (to)/repaid by Subsidiaries	2,589.50	(37.91)
Purchase of shares of subsidiary / Section 8 company	-	(2.30)
Sales of shares of foreign subsidiary	6.69	-
Dividend received	3.16	-
Interest received	1,750.18	1,677.81
Net cash generated/(used) in Investing activities (B)	**(14,050.13)**	**539.34**
C. Cash flow from financing activities :		
Proceeds from / (Repayment) of non-current borrowings	2,080.83	629.18
Proceeds from / (Repayment) of current borrowings	(211.43)	(17.42)
Dividend paid	(1,440.00)	-
Interest paid	(1,203.04)	(822.06)
Net cash generated/(used) in Financing activities (C)	**(773.64)**	**(210.30)**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS [(A) + (B) + (C)]	**(2,774.55)**	**7,412.02**
Add: Cash and Cash Equivalents as at beginning of the year	**11,533.18**	**4,121.16**
Cash and Cash Equivalents as at the end of the year	**8,758.63**	**11,533.18**

Statement of Standalone Cash Flows for the year ended March 31, 2022

Note to Cash Flow Statement

1 The above Statement of cash flows has been prepared under the 'Indirect method' as set out in the Ind AS - 7 Statement of Cash Flows.

2 The Company has total sanctioned limit (Fund and Non-fund based) of ₹ 1,04,700 Lakhs (P.Y ₹1,04,700 Lakhs) with banks, Out of which ₹ 54,910.67 Lakhs (P.Y ₹ 43,098.31 Lakhs) has been utilised.

3 **Cash And Cash Equivalents comprises of:**

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Cash on hand	28.98	27.38
Balances with banks		
In current accounts	1,146.93	11.10
In cash credit accounts (debit balance)	768.24	7,445.14
In deposit accounts (Maturity less than 3 months)	6,814.48	4,049.56
Cash and Cash Equivalents as per Note No.13	**8,758.63**	**11,533.18**

4 **Disclosure as required by Ind AS 7**

Reconciliation of liabilities arising from financing activities

As at March 31, 2022

(₹ in Lakhs)

Particulars	Opening Balance	Cash Flows	Non Cash Changes	Closing Balance
Non-current Borrowings	1,291.41	2,080.83	-	3,372.24
Current Borrowings	6,804.88	(211.43)	-	6,593.45
Total liabilities from financing activities	**8,096.29**	**1,869.40**	**-**	**9,965.69**

As at March 31, 2021

(₹ in Lakhs)

Particulars	Opening Balance	Cash Flows	Non Cash Changes	Closing Balance
Non-current Borrowings	662.23	629.18	-	1,291.41
Current Borrowings	6,822.30	(17.42)	-	6,804.88
Total liabilities from financing activities	**7,484.53**	**611.76**	**-**	**8,096.29**

The Notes on Account form Integral part of the Financial Statements 1 to 50 (As per our report of even date)

For Kantilal Patel & Co
Chartered Accountants
ICAI Firm Reg. No. : 104744W

For Riddhi P. Sheth & Co.
Chartered Accountants
ICAI Firm Reg. No. : 140190W

For and on behalf of the Board of Directors

Jinal A. Patel
Partner
Membership No. : 153599

Riddhi P. Sheth
Proprietor
Membership No. : 159123

Prahaladbhai S. Patel
Chairman, Managing Director and CEO
(DIN: 00037633)

Pooja P. Patel
Whole Time Director
(DIN: 07168083)

Hetal Patel
Chief Financial Officer

Kenan Patel
Company Secretary
Membership No.: ACS 39981

Place: Ahmedabad
Date : May 27, 2022

Place: Ahmedabad
Date : May 27, 2022

Standalone Statement of Changes in Equity for the year ended March 31, 2022

a. Equity Share Capital:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	3,600.00	3,600.00
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the year	**3,600.00**	**3,600.00**
Changes in equity share capital during the year	-	-
Balance at the end of the year	**3,600.00**	**3,600.00**

b. Other Equity:

(₹ in Lakhs)

Particulars	Reserves and Surplus			Total
	General Reserve	Securities Premium	Retained Earnings	
Balance as at March 31, 2020	**936.10**	**13,488.68**	**27,686.23**	**42,111.01**
Changes in Other equity due to prior period errors	-	-	-	-
Restated Balance as at March 31, 2020 (A)	**936.10**	**13,488.68**	**27,686.23**	**42,111.01**
Additions during the year:				
Profit for the year	-	-	8,079.04	8,079.04
Remeasurement benefits of defined benefit plans (Net of Tax)	-	-	9.22	9.22
Total Comprehensive Income for the year 2020-21 (B)	**-**	**-**	**8,088.26**	**8,088.26**
Reductions during the year:				
Dividends	-	-	-	-
Dividend Distribution tax Paid	-	-	-	-
Total (C)	**-**	**-**	**-**	**-**
Balance as at March 31, 2021 (D) = (A) + (B) - (C)	**936.10**	**13,488.68**	**35,774.49**	**50,199.27**
Changes in Other equity due to prior period errors	-	-	-	-
Restated Balance as at March 31, 2021 (E)	**936.10**	**13,488.68**	**35,774.49**	**50,199.27**
Additions during the year:				
Profit for the year	-	-	16,240.42	16,240.42
Remeasurement benefits of defined benefit plans (Net of Tax)	-	-	(128.18)	(128.18)
Total Comprehensive Income for the year 2021-22 (F)	**-**	**-**	**16,112.24**	**16,112.24**
Reductions during the year:				
Dividends	-	-	1,440.00	1,440.00
Total (G)	**-**	**-**	**1,440.00**	**1,440.00**
Balance as at March 31, 2022 (H) = (E) + (F) - (G)	**936.10**	**13,488.68**	**50,446.74**	**64,871.52**

The Notes on Account form Integral part of the Financial Statements 1 to 50 (As per our report of even date)

For Kantilal Patel & Co
Chartered Accountants
ICAI Firm Reg. No. : 104744W

For Riddhi P. Sheth & Co.
Chartered Accountants
ICAI Firm Reg. No. : 140190W

For and on behalf of the Board of Directors

Jinal A. Patel
Partner
Membership No. : 153599

Riddhi P. Sheth
Proprietor
Membership No. : 159123

Prahaladbhai S. Patel
Chairman, Managing Director and CEO
(DIN: 00037633)

Pooja P. Patel
Whole Time Director
(DIN: 07168083)

Hetal Patel
Chief Financial Officer

Kenan Patel
Company Secretary
Membership No.: ACS 39981

Place: Ahmedabad
Date : May 27, 2022

Place: Ahmedabad
Date : May 27, 2022

Notes to the Standalone Financial Statements for the year ended March 31, 2022

1. Company overview:

PSP Projects Limited ("the Company") is a public limited company domiciled in India and has its registered office in Ahmedabad, Gujarat, India. The company has been incorporated under the provisions of Company's act 1956. The shares of the company are listed on National Stock Exchange of India Limited and Bombay Stock Exchange Limited with effect from May 29, 2017.

The company offers construction services across industrial, institutional, residential, social infrastructure and commercial projects in India.

2. Significant Accounting Policies, Key Accounting Estimates and Judgement:

2.1 Basis of preparation of standalone financial statements:

The standalone financial statement of the company has been prepared in accordance with Indian Accounting Standards (IND AS) notified under section 133 of the Companies Act, 2013. ('The Act'), read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (IND AS compliant Schedule III), as applicable to the standalone financial statement.

These standalone financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these standalone financial statements.

2.2 Functional and presentation currency:

These standalone financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise stated.

2.3 Key accounting estimates and judgements:

The preparation of the Company's standalone financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Critical accounting 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.

a) Property, Plant and Equipment:

Property, Plant and Equipment represents a significant proportion of the asset base of the Company.

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful lives specified in Schedule II to the Companies Act, 2013, or in the case of assets where the useful life was determined by technical evaluation, over the useful life so determined.

The Useful lives are determined at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset. Refer note 2.5, 3 and 29 for further disclosure.

b) Provision for income tax and deferred tax assets :

The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period. Refer note 2.18, 9 and 33 for further disclosure.

c) Defined Benefit Obligation:

The costs of providing post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services.

The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. All assumptions are reviewed at each reporting date. Refer note 2.16 and 32 for further disclosure.

d) **Fair value measurement of Financial Instruments:**

When the fair values of financials 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 model, which involve various judgements and assumptions. Judgements 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. Refer note 2.14 and 34 for further disclosure.

e) **Revenue recognition over time in Construction Contracts:**

The Company recognises revenue from contracts with customers over time i.e. on the basis of stage of completion based on the proportion of contract costs incurred at balance sheet date, relative to the total estimated costs of the contract at completion. The recognition of revenue and profit/loss therefore rely on estimates in relation to total estimated costs of each contract. Cost contingencies are included in these estimates to take into account specific uncertain risks, or disputed claims against the Company, arising within each contract. These contingencies are reviewed by the Management on a regular basis throughout the contract life and adjusted where appropriate. Refer note 2.15, 22 and 39 for further disclosure

f) **Provisions and contingencies:**

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates. The timing of recognition requires application of judgement to existing facts and circumstances which may be subject to change. Refer note 2.19 for further disclosure.

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised. Contingent assets are neither recognised nor disclosed in the financial statements. Refer note 38 for further disclosure.

2.4 Current / Non-Current Classification:

Any asset or liability is classified as current if it satisfies any of the following conditions:

i. the asset/liability is expected to be realised/settled in the Company's normal operating cycle;

ii. the asset is intended for sale or consumption;

iii. the asset/liability is expected to be realised/settled within twelve months after the reporting period;

iv. the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;

v. In the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

2.5 Property, Plant and Equipment:

a) **Measurement at recognition:**

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Notes to the Standalone Financial Statements for the year ended March 31, 2022

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

b) **Depreciation:**

Depreciation on each part of an item of property, plant and equipment is provided using the Written down Value (WDV) Method based on the useful life of the asset.

Useful life and residual value prescribed in Schedule II of the Companies Act, 2013 are considered except in the following cases where useful life is supported by the technical evaluation considering business specific usage, the consumption pattern of the assets and the past performance of similar assets:

Particulars	Useful Life in years
Steel Shuttering Materials included in Plant and Machinery	5 to 10 years

The useful lives, residual values of each part of an item of property, plant and equipment and the depreciation methods are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

c) **Derecognition:**

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in the Statement of Profit and Loss when the item is derecognised.

2.6 Intangible Assets:

a) **Measurement at recognition:**

Intangible assets i.e. Software acquired separately are measured on initial recognition at cost. Subsequently, intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any.

b) **Amortization:**

Intangible Assets are amortised on a straight-line basis over the estimated useful economic life. The amortization expense on intangible assets is recognised in the Statement of Profit and Loss. The estimated useful life of software is considered 6 years.

The amortization period and the amortization method for an intangible asset is reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

c) **Derecognition:**

The carrying amount of an intangible asset is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognised in the Statement of Profit and Loss when the asset is derecognised

2.7 Borrowing Costs:

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

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 capitalised. All other borrowing costs are expensed in the period in which they occur.

2.8 Impairment of non-financial assets:

Assets that are subject to depreciation and amortization and assets representing investments in subsidiary and associate companies are reviewed for impairment, whenever events or changes in circumstances indicate that carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.

The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called cash generating units (CGU) may be impaired. If any such indication exists, the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

2.9 Investment in Subsidiary and Joint Venture:

The Company has elected to recognise its investments in subsidiaries and joint venture at cost in accordance with the option available in Ind AS 27, 'Separate Financial Statements'. The details of such investments are given in Note 6.

2.10 Inventory:

a) **Construction Materials:**

Construction materials are valued at lower of cost or net realizable value, on the basis of weighted average method after providing for obsolescence and other losses, where considered necessary. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

b) **Work in Progress:**

Work-in-progress represents cost incurred directly in respect of construction activity and indirect construction cost to the extent to which the expenditure is related to the construction or incidental thereto is valued at lower of cost or net realizable value.

c) **Wooden Shuttering material:**

Wooden shuttering materials included in the work-in-progress are valued at cost less charged off to statement of Profit and Loss based on their usages for the construction activity.

d) **Finished goods and Stock-in-trade**

Finished goods and stock-in-trade (in respect of goods acquired for trading) are valued at lower of weighted average cost or net realizable value. Cost includes cost of purchase, costs of conversion, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.

2.11 Site establishment cost :

Site establishment cost incurred at the initial stage of the project execution are amortised over the tenure of respective project. Unamortised site establishment cost are disclosed under other current assets.

2.12 Financial Instrument:

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

Financial Assets:

a) **Initial recognition and measurement:**

All financial assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

b) **Subsequent measurement:**

i. **Financial assets measured at amortised cost:**

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Notes to the Standalone Financial Statements for the year ended March 31, 2022

ii. **Financial assets measured at fair value through other comprehensive income (FVTOCI):**
A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iii. **Financial assets measured at fair value through profit and loss (FVTPL):**
A financial asset which is not classified in any of the above categories are measured at FVTPL.

c) **Impairment of financial assets:**
In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

1. The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
2. Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

Financial Liabilities

a) **Initial recognition and measurement:**
All financial liabilities are recognised at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

b) **Subsequent measurement:**
Financial liabilities are carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition of financial instruments

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

2.13 Foreign Currency Transaction and Translation:

a) **Initial Recognition:**
On initial recognition, transactions in foreign currencies entered into by the Company are recorded in the functional currency (i.e. Indian Rupees), by applying to the foreign currency amount, the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the Statement of Profit and Loss.

b) **Measurement of foreign currency items at reporting date:**
Foreign currency monetary items of the Company are translated at the closing exchange rates. Non-monetary items that are measured at historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency, are translated using the exchange rates at the date when the fair value is measured.

Exchange differences arising out of these translations are recognised in the Statement of Profit and Loss.

2.14 Fair Value:

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorised within the fair value hierarchy that categorises into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

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

Level 2 — inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 — inputs that are unobservable for the asset or liability

Assets and liabilities that are recognised in the standalone financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

2.15 Revenue Recognition:

Revenue from Contracts with Customers:

The Company recognises revenue from contracts with customers when it satisfies a performance obligation by transferring promised goods or service to a customer. The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Performance obligation is satisfied over time when the transfer of control of good or service to a customer is done over time and in other cases, performance obligation is satisfied at a point in time. For performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

For contracts where the aggregate of contract cost incurred to date plus recognised profits (or minus recognised losses as the case may be) exceeds the progress billing, the surplus is shown as contract asset and termed as "Due from customers". For contracts where progress billing exceeds the aggregate of contract costs incurred to-date plus recognised profits (or minus recognised losses, as the case may be), the surplus is shown as contract liability and termed as "Due to customers". Amounts received before the related work is performed are disclosed in the Balance Sheet as contract liability and termed as "Advances from customer". The amounts billed on customer for work performed and are unconditionally due for payment i.e only passage of time is required before payment falls due, are disclosed in the Balance Sheet as trade receivables. The amount of retention money held by the customers pending completion of performance milestone is disclosed as part of contract asset and is reclassified as trade receivables when it becomes due for payment.

Transaction price is the amount of consideration to which the Company expects it to be entitled in exchange for transferring goods or services to a customer excluding amounts collected on behalf of a third party. Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance. Payment terms agreed with a customer are as per business practice and the financing component, if significant, is separated from the transaction price and accounted as interest income.

Costs to obtain a contract which are incurred regardless of whether the contract was obtained are charged-off in profit and loss immediately in the period in which such costs are incurred. Incremental costs of obtaining a contract, if any, and costs incurred to fulfil a contract are amortised over the period of execution of the contract in proportion to the progress measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract cost incurred that are likely to be recoverable. An expected loss on the contract is recognised as an expense immediately.

The differences between the timing of our revenue recognised (based on costs incurred) and customer billings

Notes to the Standalone Financial Statements for the year ended March 31, 2022

(based on contractual terms) results in changes to revenue in excess of billing or billing in excess of revenue.

Cost incurred towards future contract activity is classified as project work in progress.

Sale of goods:
Revenue from sale of goods is recognised when the control of the same is transferred to the customer and it is probable that the Company will collect the consideration to which it is entitled for the exchanged goods.

Performance obligations in respect of contracts for sale of manufactured and traded goods is considered as satisfied at a point in time when the control of the same is transferred to the customer and where there is an alternative use of the asset or the company does not have either explicit or implicit right of payment for performance completed till date.

Interest and dividend:
Interest income is accrued on a time basis by reference to the principal outstanding using effective interest rate method. Dividend income is recognised when the right to receive payment is established.

2.16 Employee Benefits:

a) **Short Term Employee Benefits:**
The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

b) **Post-Employment Benefits:**

I. **Defined Contribution plans:**
A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to separate entities. The Company makes specified monthly contributions towards Provident Fund, State Insurance, and Pension Scheme. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

II. **Defined Benefit plans:**
The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act 1972.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services. Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income. Such re-measurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

c) **Other long term employee benefits**
All other long term employee benefit which do not fall due wholly within twelve months after the end of the period in which the employee render the related services are determined based on actuarial valuation or discounted present value method carried out at each balance sheet date. The expected cost of accumulating compensated absence is determined by actuarial valuation performed by an independent actuary as at 31 March every year using projected unit credit method on additional amount expected to be paid/availed as a result of unutilised entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absence is recognised in the period in which the absences occur.

2.17 Exceptional items:
An item of income or expense which by its size, type or incidence requires disclosure in order to improve an understanding of the performance of the Company is treated as an exceptional item and disclosed as such in the financial statements.

2.18 Income Taxes:
The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

a) **Current tax:**
Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense

that are taxable or deductible in other years and items that are never taxable or deductible in accordance with applicable tax laws. Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

b) **Deferred tax:**

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

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period

c) **Presentation of current and deferred tax:**

Current and deferred tax are recognised as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognised in Other Comprehensive Income, in which case, the current and deferred tax income/ expense are recognised in Other Comprehensive Income.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

2.19 Provision and Contingencies:

The Company recognises provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

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

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

2.20 Lease Accounting:

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Company has concluded that no changes are required to lease period relating to the existing lease contracts.

2.21 Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company. The company's chief operating decision maker is the Chairman, Managing Director and Chief Executive Officer.

2.22 Earnings per share:

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

Notes to the Standalone Financial Statements for the year ended March 31, 2022

2.23 Cash Flow Statement:

Cash Flow is reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non- cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

2.24 Cash and Cash Equivalents:

Cash and Cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the maturity is three months or less and other short term highly liquid investments.

2.25 Amendments to Schedule III of the Companies Act, 2013 -

Ministry of Corporate Affairs (MCA) issued notifications dated March 24, 2021 to amend Schedule III of the Companies Act, 2013 to enhance the disclosures required to be made by the Company in its financial statements. These amendments are applicable to the Company for the financial year starting April 01,2021 and applied to the standalone financial statements:

a. Lease liabilities separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.

b. Certain additional disclosures in the standalone Statement of Changes in Equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.

c. Additional disclosure for shareholding of promoters.

d. Additional disclosure for ageing schedule of trade receivables, trade payables, capital work-in-progress.

e. Specific disclosure such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in the name of the Company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties etc.

f. Additional disclosures relating to Corporate Social Responsibility (CSR) and undisclosed income.

2.26 Recent new Accounting Pronouncements:

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2022 dated March 23, 2022 to amend the following IND AS which are effective from April 01, 2022.

a) Onerous Contracts – Costs of Fulfilling a Contract – Amendments to Ind AS 37

The amendments to Ind AS 37 specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a "directly related cost approach". The costs that relate directly to a contract to provide goods or services include both incremental costs for example direct labour and materials and an allocation of other costs directly related to contract activities for example an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling that contract. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

b) Reference to the Conceptual Framework –Amendments to Ind AS 103

The amendments replaced the reference to the ICAI's "Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards" with the reference to the "Conceptual Framework for Financial Reporting under Indian Accounting Standard" without significantly changing its requirements.

The amendments also added an exception to the recognition principle of Ind AS 103 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets or Appendix C, Levies, of Ind AS 37, if incurred separately.

It has also been clarified that the existing guidance in Ind AS 103 for contingent assets would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards.

c) Property, Plant and Equipment: Proceeds before Intended Use – Amendments to Ind AS 16

The amendments modified paragraph 17(e) of Ind AS 16 to clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

d) **Ind AS 109 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities**
The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

e) **Ind AS 116 – Annual Improvements to Ind AS (2021)**
The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration.

The amendments are effective for annual reporting periods beginning on or after April 01, 2022. The Company has evaluated the amendments and the impact is not expected to be material.

2.27 Events after reporting date:
Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the standalone financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

3 Property, Plant and Equipment

(₹ in Lakhs)

Particulars	Freehold Land	Buildings	Furniture & Fixture	Plant & Equipment	Office Equipments	Computers	Vehicles	Total
Gross Carrying amount								
As at March 31, 2020	**1,006.05**	**896.44**	**259.08**	**14,102.99**	**194.46**	**336.24**	**2,884.38**	**19,679.64**
Additions	2,004.48	-	1.00	1,123.03	18.11	42.83	221.32	3,410.77
Deductions / Disposals	-	-	51.43	242.04	7.07	35.65	29.01	365.20
As at March 31, 2021	**3,010.53**	**896.44**	**208.65**	**14,983.98**	**205.50**	**343.42**	**3,076.69**	**22,725.21**
Additions	-	5,620.51	126.27	6,184.62	27.71	72.54	378.89	12,410.54
Deductions / Disposals	-	45.00	-	716.09	1.95	31.99	81.70	876.73
As at March 31, 2022	**3,010.53**	**6,471.95**	**334.92**	**20,452.51**	**231.26**	**383.97**	**3,373.88**	**34,259.02**
Accumulated depreciation								
As at March 31, 2020	**-**	**195.85**	**147.26**	**6,809.73**	**134.25**	**165.51**	**1,581.70**	**9,034.30**
Depreciation for the year	-	67.09	29.00	1,913.69	30.48	88.39	400.27	2,528.92
Deductions / Disposals	-	-	48.74	217.71	6.54	33.87	25.49	332.35
As at March 31, 2021	**-**	**262.94**	**127.52**	**8,505.71**	**158.19**	**220.03**	**1,956.48**	**11,230.87**
Depreciation for the year	-	266.67	35.11	2,408.84	24.94	75.30	357.94	3,168.80
Deductions / Disposals	-	22.62	-	613.53	1.48	29.90	74.94	742.47
As at March 31, 2022	**-**	**506.99**	**162.63**	**10,301.02**	**181.65**	**265.43**	**2,239.48**	**13,657.20**
Net carrying amount								
As at March 31, 2022	**3,010.53**	**5,964.96**	**172.29**	**10,151.49**	**49.61**	**118.54**	**1,134.40**	**20,601.82**
As at March 31, 2021	**3,010.53**	**633.50**	**81.13**	**6,478.27**	**47.31**	**123.39**	**1,120.21**	**11,494.34**
As at March 31, 2020	**1,006.05**	**700.59**	**111.82**	**7,293.26**	**60.21**	**170.73**	**1,302.68**	**10,645.34**

Notes:

(i) Refer to Note 16 for information on property, plant and equipment pledged as security by the Company.

(ii) For Capital Commitments, Refer Note 38 (ii).

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

Notes to the Standalone Financial Statements for the year ended March 31, 2022

4 Capital Work In Progress (CWIP)

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening CWIP	4,164.72	-
Additions during the year	6,102.46	4,164.72
Capitalised during the year	(10,267.18)	-
Total	**-**	**4,164.72**

4(a) Capital work in progress ageing as at March 31, 2022

All CWIP during the year has been capitalised to respective head of assets and CWIP balance as on March 31, 2022 ₹ Nil.

4(b) Capital work in progress ageing as at March 31, 2021

(₹ in Lakhs)

Particulars	0-1 Year	1-2 Years	2-3 Years	Above 3 Year	Total
(a) Projects in progress	4,164.72	-	-	-	4,164.72
(b) Projects temporarily suspended	-	-	-	-	-
Total	**4,164.72**	**-**	**-**	**-**	**4,164.72**

5 Intangible assets

(₹ in Lakhs)

Particulars	Computer Software	Total
Gross Carrying amount		
As at March 31, 2020	**299.65**	**299.65**
Additions	20.38	20.38
Deductions	97.06	97.06
As at March 31, 2021	**222.97**	**222.97**
Additions	51.76	51.76
Deductions	9.92	9.92
As at March 31, 2022	**264.81**	**264.81**
Accumulated amortisation		
As at March 31, 2020	**155.99**	**155.99**
Amortisation for the year	34.84	34.84
Deductions	92.20	92.20
As at March 31, 2021	**98.63**	**98.63**
Amortisation for the year	36.48	36.48
Deductions	5.61	5.61
As at March 31, 2022	**129.50**	**129.50**
Net carrying amount		
As at March 31, 2022	**135.31**	**135.31**
As at March 31, 2021	**124.34**	**124.34**
As at March 31, 2020	**143.66**	**143.66**

Notes to the Standalone Financial Statements for the year ended March 31, 2022

6 Investments

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non Current		
Investment in Equity Instruments / Capital of Partnership Firm		
Unquoted		
(i) Subsidiaries (Measured at Cost, Refer Note No. 34)		
(a) PSP Projects and Proactive Constructions Pvt. Ltd.*	371.30	371.30
50,00,000 (Previous Year : 50,00,000) Equity Shares of Face Value ₹ 10 Each (Previous Year: ₹ 10 Each) (Refer Note No.37)		
Less: Aggregate provision for impairment in value of investment (Refer note no.37)	(366.30)	(366.30)
	5.00	5.00
(b) PSP Projects Inc.**	-	6.69
Nil (Previous Year : 10,000) Equity Shares of Face Value $1 Each (Refer Note No.37)		
(c) PSP Foundation***	1.00	1.00
10,000 (Previous Year : 10,000) Equity Shares of Face Value ₹ 10 Each (Refer Note No.37)		
(ii) Joint Venture (Measured at Cost, Refer Note No. 34)		
(a) M/s. GDCL and PSP Joint Venture (Refer Note No. 6.1)	44.59	44.59
(Share of profit of Ganon Dunkerley and Company Limited and PSP Projects Limited in the entity is 51:49) (Refer Note No.37)		
(iii) Others (Measured at Cost, Refer Note No. 34)		
(a) The Kalupur Commercial Co-Operative Bank Limited	21.09	21.09
84,350 (Previous Year : 84,350) Equity Shares of Face Value ₹ 25 Each		
Total Non Current Investments	**71.68**	**78.37**
Aggregate Carrying Value of unquoted investment	**71.68**	**78.37**

* PSP Projects and Proactive Constructions Private Limited is a 100% wholly owned subsidiary of the Company.

** Pursuant to the approval from the Board, the Company has divested its 100% stake (10,000 Equity shares) in its wholly-owned subsidiary viz. PSP Projects INC, for a consideration of USD 10,000. Accordingly, PSP Projects INC ceases to be a wholly-owned subsidiary of the Company from December 23, 2021.

*** PSP Foundation is incorporated as a wholly owned subsidiary of the company on February 26, 2021. It is incorporated as a 'Not for Profit' company limited by shares under Section 8 of the Companies Act, 2013 to promote and support CSR activities.

6.1 Investment in M/s. GDCL and PSP Joint Venture:

(₹ in Lakhs)

Name of the Partners	Capital of the firm	Share of Partner
Ganon Dunkerley and Company Limited	46.41	51.00%
PSP Projects Limited*	44.59	49.00%
Total	**91.00**	**100.00%**

*Capital of the firm and Share of Partner during the 2021-22 was same as compared to 2020-21.

Notes to the Standalone Financial Statements for the year ended March 31, 2022

7 Loans

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non Current		
Loan to related parties (Refer Note No. 37)	-	2,574.55
Total	**-**	**2,574.55**
Current		
Loan to related parties (Unsecured, considered good) (Refer Note No. 37)	573.54	840.03
Loans and advances to employees (Unsecured, considered good)	19.71	14.47
Total	**593.25**	**854.50**

Break up of security details

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non Current		
Loan Receivables considered good- Secured	-	-
Loan Receivables considered good- Unsecured	-	2,574.55
Loan Receivables impaired	-	214.95
Less: Allowance for credit losses (Refer Note No. 37)	-	(214.95)
Total	**-**	**2,574.55**
Current		
Loan Receivables considered good- Secured		
Loan Receivables considered good- Unsecured	593.25	854.50
Loan Receivables impaired	200.00	-
Less: Allowance for credit losses (Refer Note No. 37)	(200.00)	-
Total	**593.25**	**854.50**

Note: Disclosures required by Schedule V of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 and Section 186 (4) of Companies Act, 2013:

(A) Amount of loans/ advances in the nature of loans outstanding repayable as per below terms with Subsidiaries and Joint Venture

(₹ in Lakhs)

Particulars	Interest Rate	Purpose for which the loan is proposed to be utilised by the recipient	Outstanding as at March 31,2022	% to the total loans and advances as at March 31, 2022	Outstanding as at March 31,2021	% to the total loans and advances as at March 31, 2021	Maximum amount outstanding during the year	
							March 31,2022	March 31,2021
Non Current								
Foreign Subsidiary								
PSP Projects INC (Unsecured-considered good) (Net)	7.0%	Project funding	-	0.0%	2,574.55	75.4%	3,866.87	3,420.46
Current								
Subsidiary								
PSP Projects and Proactive Constructions Private Limited (Unsecured-considered good) (Net)	10.0%	Working captial	-	0.0%	300.00	8.8%	300.00	545.00
Joint Venture								
M/s. GDCL and PSP Joint Venture (Unsecured-considered good)	12.0%	Working captial	573.54	100.0%	540.03	15.8%	573.54	965.27

(B) The company has given bank gurantees of ₹ 196.87 Lakhs (March 31, 2021 ₹ 196.87 Lakhs) on behalf of M/s. GDCL and PSP Joint Venture for business purposes.

(C) The company has provided fixed deposit as security to avail Fixed Deposit Overdraft bank facilities by its subsidary PSP Projects & Proactive Constructions Private Limited to the extent of ₹ Nil (March 31, 2021 ₹ 338.40 Lakhs).

Notes to the Standalone Financial Statements for the year ended March 31, 2022

8 Other Financial Assets

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non Current		
Unsecured, considered good		
Security deposits	357.56	407.93
Other deposits	145.59	85.78
Deposits with Banks (Maturity more than 12 months)	14,230.04	2,776.23
Contract Assets		
Retention money receivable from customers	8,052.28	6,652.42
Total	**22,785.47**	**9,922.36**
Current		
Other deposits	116.32	350.79
Contract Assets		
Retention money receivable from customers	3,300.66	2,649.45
Amount due from customers (Unbilled Revenue)	9,922.25	7,722.15
Total	**13,339.23**	**10,722.39**

9 Deferred Tax Assets

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred Tax Asset	937.57	919.04
Total	**937.57**	**919.04**

Reconciliation of Deferred tax asset/(liabilities):

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance		
Non deductible expenses for tax purpose	240.79	68.41
Property, plant and equipment	678.25	510.58
Total	**919.04**	**578.99**
Recognised in Profit or loss		
Non deductible expenses for tax purpose*	(66.95)	172.38
Property, plant and equipment	85.48	167.67
Total	**18.52**	**340.05**
Closing balance		
Non deductible expenses for tax purpose	173.84	240.79
Property, plant and equipment	763.73	678.25
Total	**937.57**	**919.04**

*During the financial year 2020-21, the company has created deferred tax of ₹92.19 Lakhs in regards to impairment of investments in PSP Projects and Proactive Constructions Pvt. Ltd. The same has been reversed during the FY 2021-22.

Notes to the Standalone Financial Statements for the year ended March 31, 2022

10 Other assets

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Unsecured, considered good		
Capital advances	179.14	625.89
Prepaid expenses	12.49	20.83
Total	**191.63**	**646.72**
Current		
Unsecured, considered good		
Advances to vendors	7,470.60	1,627.15
Balance with government authorities	1,146.60	1,144.69
Site establishment cost	393.76	445.88
Prepaid expenses	232.78	318.85
Total	**9,243.74**	**3,536.57**

11 Inventories

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Construction materials	6,275.79	6,674.07
Work in progress	1,387.32	2,246.84
Finished goods	401.80	-
Total	**8,064.91**	**8,920.91**

(The cost of inventories recognised as an expense during the year is disclosed in Note No. 24 and 25)

12 Trade Receivables

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
From related parties- Unsecured (Refer Note No. 37)	77.21	-
From others- Unsecured	31,619.97	22,400.24
Total	**31,697.18**	**22,400.24**
Less: Expected credit loss allowance	(519.26)	(196.50)
Total	**31,177.92**	**22,203.74**

Break up of security details

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	31,544.12	22,247.18
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	153.06	153.06
Total	**31,697.18**	**22,400.24**
Less: Expected credit loss allowance	(519.26)	(196.50)
Total Trade Receivables	**31,177.92**	**22,203.74**

(i) General payment terms include mobilisation advance, monthly progress payments with a credit period ranging from 7 to 120 days and certain retention money to be released at the end of the project as per the relevant contract terms. In certain contracts, short term advances are received before the performance obligation is satisfied. In some cases, retentions are substituted with bank guarantees.

Notes to the Standalone Financial Statements for the year ended March 31, 2022

12 Trade Receivables *(contd...)*

(ii) Trade Receivable ageing:

As at March 31, 2022

(₹ in Lakhs)

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		0-6 Months	6-12 Months	1-2 Years	2-3 Years	Above 3 Year	
(i) Undisputed Trade Receivable- Considered Good	16,943.66	9,462.02	3,967.67	1,065.14	3.71	0.80	31,443.00
(ii) Undisputed Trade Receivable – Which have significant increase in Credit Risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivable – Credit Impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivable – Considered good	-	-	-	101.12	-	-	101.12
(v) Disputed Trade Receivable – Which have significant increase in Credit Risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivable – Credit Impaired	-	-	-	-	-	153.06	153.06
Grand Total	**16,943.66**	**9,462.02**	**3,967.67**	**1,166.26**	**3.71**	**153.86**	**31,697.18**
Less: Expected credit loss allowance							(519.26)
Total Trade Receivable							**31,177.92**

As at March 31, 2021

(₹ in Lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		0-6 Months	6-12 Months	1-2 Years	2-3 Years	Above 3 Year	
(i) Undisputed Trade Receivable- Considered Good	11,251.06	9,584.99	1,384.66	16.00	5.89	-	22,242.60
(ii) Undisputed Trade Receivable – Which have significant increase in Credit Risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivable – Credit Impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivable – Considered good	-	-	-	4.58	-	-	4.58
(v) Disputed Trade Receivable – Which have significant increase in Credit Risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivable – Credit Impaired	-	-	-	-	39.21	113.85	153.06
Grand Total	**11,251.06**	**9,584.99**	**1,384.66**	**20.58**	**45.10**	**113.85**	**22,400.24**
Less: Expected credit loss allowance							(196.50)
Total Trade Receivable							**22,203.74**

Notes to the Standalone Financial Statements for the year ended March 31, 2022

12 Trade Receivables *(contd...)*

(iii) Movement in Expected Credit Loss Allowance

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Expected Credit Loss Allowance	**196.50**	**162.36**
Add: Additional provision made	322.76	34.14
Less: Reversal of provision	-	-
Closing Expected Credit Loss Allowance	**519.26**	**196.50**

13 Cash and Bank Balances

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Cash and Cash Equivalents		
Cash on Hand	28.98	27.38
Balances with banks		
In current accounts	1,146.93	11.10
In cash credit accounts (debit balance)	768.24	7,445.14
In deposit accounts (Refer Note No 13.1 below)	31,801.82	18,166.17
Sub Total	**33,745.97**	**25,649.79**
Less: Fixed deposits having maturity more than 3 months and less than 12 months shown under other bank balances	10,757.30	11,340.38
Less: Fixed deposits having maturity more than 12 months shown under other financial assets (Refer Note No. 8)	14,230.04	2,776.23
Total	**8,758.63**	**11,533.18**
Other Bank Balances		
Unpaid dividend accounts*	2.16	1.96
In deposit accounts (Maturity more than 3 months and less than 12 months)	10,757.30	11,340.38
Total	**10,759.46**	**11,342.34**

* The company can utilise these balances only towards settlement of unclaimed dividend.

13.1 The details of Fixed deposits pledged with banks/clients as given below:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Fixed deposits pledged with banks as security against credit facilities	16,857.54	12,408.77
Fixed deposits pledged with bank as security against overdraft facility for subsidiary company	-	338.40
Fixed deposits pledged with clients as security	559.82	704.35
Total	**17,417.36**	**13,451.52**

Notes to the Standalone Financial Statements for the year ended March 31, 2022

14 Equity Share Capital

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised Equity Share Capital		
5,00,00,000 (previous year - 5,00,00,000) Equity Shares of ₹ 10 each	5,000.00	5,000.00
	5,000.00	**5,000.00**
Issued, Subscribed and Paid up capital		
3,60,00,000 (previous year - 3,60,00,000) Equity Shares of ₹ 10 each fully paid up	3,600.00	3,600.00
	3,600.00	**3,600.00**

(a) Reconciliation of shares outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
At the beginning of the year	3,60,00,000	3,600.00	3,60,00,000	3,600.00
Add: Shares Issued during the year	-	-	-	-
At the end of the year	3,60,00,000	3,600.00	3,60,00,000	3,600.00

(b) Terms and Rights attached to each class of shares;

- The Company has only one class of equity shares having par value of ₹ 10 per share.
- Each holder of equity shares is entitled to one vote per share.
- In the event of the liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Equity shares held by shareholders each holding more than 5 % of the shares

Name of the Shareholders	As at March 31, 2022		As at March 31, 2021	
	No. of shares	%	No. of shares	%
Prahaladbhai S. Patel	1,86,39,308	51.78%	1,85,24,308	51.46%
Shilpaben P. Patel	36,34,000	10.09%	51,84,000	14.40%
Sagar P. Patel	20,00,000	5.56%	20,00,000	5.56%

(d) Equity shares held by Promoters

Name of the Shareholders	As at March 31, 2022		As at March 31, 2021		% Change during the year
	No. of shares	%	No. of shares	%	
Prahaladbhai S. Patel	1,86,39,308	51.78%	1,85,24,308	51.46%	0.32%
Shilpaben P. Patel	36,34,000	10.09%	51,84,000	14.40%	(4.31%)
Pooja P. Patel	10,00,000	2.78%	10,00,000	2.78%	0.00%
Sagar P. Patel	20,00,000	5.56%	20,00,000	5.56%	0.00%

Name of the Shareholders	As at March 31, 2021		As at March 31, 2020		% Change during the year
	No. of shares	%	No. of shares	%	
Prahaladbhai S. Patel	1,85,24,308	51.46%	1,83,90,914	51.09%	0.37%
Shilpaben P. Patel	51,84,000	14.40%	51,84,000	14.40%	0.00%
Pooja P. Patel	10,00,000	2.78%	10,00,000	2.78%	0.00%
Sagar P. Patel	20,00,000	5.56%	20,00,000	5.56%	0.00%

Notes to the Standalone Financial Statements for the year ended March 31, 2022

15 Other equity

(₹ in Lakhs)

Particulars	Reserves and Surplus			Total
	General Reserve	Securities Premium	Retained Earnings	
Balance as at March 31, 2020(A)	**936.10**	**13,488.68**	**27,686.23**	**42,111.01**
Additions during the year:				
Profit for the year	-	-	8,079.04	8,079.04
Remeasurement benefits of defined benefit plans (Net of Tax)	-	-	9.22	9.22
Total Comprehensive Income for the year 2020-21 (B)	**-**	**-**	**8,088.26**	**8,088.26**
Reductions during the year:				
Dividends	-	-	-	-
Dividend Distribution tax Paid	-	-	-	-
Total (C)	**-**	**-**	**-**	**-**
Balance as at March 31, 2021 (D) = (A) + (B) - (C)	**936.10**	**13,488.68**	**35,774.49**	**50,199.27**
Additions during the year:				
Profit for the year	-	-	16,240.42	16,240.42
Remeasurement benefits of defined benefit plans (Net of Tax)	-	-	(128.18)	(128.18)
Total Comprehensive Income for the period 2021-22 (E)	**-**	**-**	**16,112.24**	**16,112.24**
Reductions during the year:				
Dividends	-	-	1,440.00	1,440.00
Total (F)	**-**	**-**	**1,440.00**	**1,440.00**
Balance as at March 31, 2022 (G) = (D) + (E) - (F)	**936.10**	**13,488.68**	**50,446.74**	**64,871.52**

(₹ in Lakhs)

Distribution made and proposed	As at March 31, 2022	As at March 31, 2021
Cash Dividends on Equity Shares declared and paid:		
Final Dividend for the year ended March 31, 2021: ₹ 4.00 per share	1,440.00	-
(for the year ended March 31, 2020: ₹ Nil per share)		
	1,440.00	**-**
Proposed Dividend on Equity Shares:		
Final Dividend for the year ended March 31, 2022: ₹ 5.00 per share	1,800.00	1,440.00
(for the year ended March 31, 2021: ₹ 4.00 per share)		
	1,800.00	**1,440.00**

Nature and purpose of other reserves

General Reserve

General reserve is created from time to time by way of transfer profits from retained earning for appropriation purpose.

Securities premium

Securities premium reserve is used to record premium on issue of shares. This reserve is utilised as per the provisions of the Companies Act, 2013.

Notes to the Standalone Financial Statements for the year ended March 31, 2022

16 Borrowings

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non - Current		
Secured (At Amortised Cost)		
Term Loans		
From Banks	3,372.24	1,291.41
Less: Current Maturities of long term borrowings	(1,654.17)	(1,013.08)
Total	**1,718.07**	**278.33**
Current		
Current maturities of Non-current Borrowings	1,654.17	1,013.08
Secured (At Amortised Cost)		
Working Capital Loans		
From Banks	6,593.45	6,804.88
Total	**8,247.62**	**7,817.96**

Nature of Borrowing	Terms of Repayment	Interest Rate	Nature of Security
Non-current Borrowing			
Term loan for Plant, Machinery and Vehicles	Repayable in 24 to 60 equated monthly installments	6.65% to 9.50%	Assets acquired under term loan
Current Borrowing			
Working Capital Loans	Repayable on Demand	5.75% to 10.10%	Refer note below (i)

Note:

(i) Working Capital Loans are secured against Inventory, Book Debts, Plant and Machinery, land and Fixed Deposits held in the name of company.

(ii) All the above credit facilities are guaranteed by Mr. Prahaladbhai S. Patel, Mrs. Shilpaben P Patel, and Ms. Pooja P. Patel, and secured against collateral securities held in the name of company and Mr. Prahaladbhai S. Patel.

(iii) Funds raised on short term basis have not been utilised for long term purposes .

(iv) Borrowed funds were applied for the purpose for which the loans were obtained.

(v) Bank returns / stock statements filed by the Company with its bankers or financial institutions are in agreement with books of account.

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

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

17 Provisions

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non - Current		
Provision for employee benefits (Refer Note No. 32)	151.87	79.05
Total	**151.87**	**79.05**
Current		
Provision for employee benefits (Refer Note No. 32)	19.59	99.94
Total	**19.59**	**99.94**

Notes to the Standalone Financial Statements for the year ended March 31, 2022

18 Trade Payables

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Total outstanding dues of micro enterprises and small enterprises	1,284.41	1,014.65
Total outstanding dues of creditors other than micro enterprises and small enterprises		
Due to Related Parties (Refer Note No. 37)	132.99	170.28
Trade Payables-Others	24,343.49	24,479.62
Total	**25,760.89**	**25,664.55**

(i) **Trade Payables ageing:**

As at March 31, 2022

(₹ in Lakhs)

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		0-1 Year	1-2 Year	2-3 Year	More than 3 Years	
(i) Due to MSME	1,262.84	21.57	-	-	-	1,284.41
(ii) Due to Other	20,477.45	3,484.36	198.15	38.28	128.99	24,327.23
(iii) Disputed dues-MSME	-	-	-	-	-	-
(iv) Disputed dues-Others (*)	-	-	-	78.92	70.33	149.25
Total	**21,740.29**	**3,505.93**	**198.15**	**117.20**	**199.32**	**25,760.89**

* The amounts pertains to commercial disputes.

As at March 31, 2021

(₹ in Lakhs)

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		0-1 Year	1-2 Year	2-3 Year	More than 3 Years	
(i) Due to MSME	961.46	53.19	-	-	-	1,014.65
(ii) Due to Other	15,835.04	8,197.43	168.15	274.71	95.30	24,570.63
(iii) Disputed dues-MSME	-	-	-	-	-	-
(iv) Disputed dues-Others (*)	-	-	-	56.28	22.99	79.27
Total	**16,796.50**	**8,250.62**	**168.15**	**330.99**	**118.29**	**25,664.55**

* The amounts pertains to commercial disputes.

19 Other Financial Liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Trade deposits	280.80	466.80
Payable for capital expenditures	141.82	242.78
Other Payables	2,766.64	1,113.63
Employee Dues	409.13	323.85
Unpaid dividend*	2.16	1.96
Total	**3,600.55**	**2,149.02**

*This figure does not include any amount due and outstanding, to be credited to Investor Education and Protection Fund.

Notes to the Standalone Financial Statements for the year ended March 31, 2022

20 Other Current Liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory Payables	1,932.05	1,216.60
Other current liabilities	934.02	-
Contract Liabilities		
Advance received from Customers	17.00	1,754.94
Amount due to customers	2,146.58	2,313.19
Mobilisation Advance received from Customers	13,660.13	3,172.38
Total	**18,689.78**	**8,457.11**

21 Current Tax Liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Current Tax Liabilities (Net)	0.73	692.84
Total	**0.73**	**692.84**

22 Revenue from Operations

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from Contracts with Customers	1,73,688.04	1,23,413.94
Other Operating Revenue	1,187.84	672.30
Total	**1,74,875.88**	**1,24,086.24**

23 Other Income

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
a) Interest Income		
On Fixed Deposits	1,146.48	1,248.50
On Investments	4.89	2.28
From Subsidiary and Joint Venture (Refer Note No. 37)	255.97	330.30
Others	342.84	96.73
	1,750.18	**1,677.81**
b) Dividend income	3.16	-
c) Other gains and losses		
Net Gain on Foreign Exchange Fluctuations	31.98	-
Reversal of Impairment of Loan	214.95	-
Net Gain on sale of Property, Plant and Equipment	74.74	-
Profit/(Loss) from Joint Venture	33.51	-
Others	17.02	14.28
	372.20	**14.28**
Total (a+b+c)	**2,125.54**	**1,692.09**

Notes to the Standalone Financial Statements for the year ended March 31, 2022

24 Cost of Construction Material Consumed

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Opening Stock	6,674.07	7,673.03
Add: Purchases	49,140.22	38,814.33
	55,814.29	**46,487.36**
Less: Closing Stock	6,275.79	6,674.07
Total	**49,538.50**	**39,813.29**

25 Changes in inventories of Finished Goods and Work-In-Progress

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Inventories at the end of the year:		
Work In Progress	1,387.32	2,246.84
Finished Goods	401.80	-
	1,789.12	**2,246.84**
Inventories at the beginning of the year:		
Work In Progress	2,246.84	2,010.32
Finished Goods	-	-
	2,246.84	**2,010.32**
Net (increase) / decrease in Inventories	**457.72**	**(236.52)**

26 Construction Expenses

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Labour expenses	28,914.08	18,187.06
Sub-Contracting Expenses	53,199.88	42,286.30
Stores, spares and other consumables	460.78	341.42
Power and Fuel	2,472.30	1,458.10
Site Expenses	375.00	179.83
Machinery Rent	1,816.55	861.50
Insurance	314.86	264.67
Repairs and Maintenance:		
Machineries	94.19	27.55
Vehicles	18.87	18.11
Transportation expenses	986.14	352.58
Security Expenses	479.75	465.56
Total	**89,132.40**	**64,442.68**

27 Employee benefits expense

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salaries and Wages	4,986.47	3,741.89
Managerial Remuneration	1,681.00	694.38
Contributions to Provident Fund and Other Funds	287.11	207.06
Staff Welfare Expenses	279.34	446.04
Total	**7,233.92**	**5,089.37**

Notes to the Standalone Financial Statements for the year ended March 31, 2022

28 Finance costs

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest costs:		
(i) Interest on		
Term Loan	61.06	49.05
Working Capital Loan	849.76	773.01
(ii) Others	887.62	180.90
Bank Guarantee Charges	475.48	298.26
Other Borrowing costs	365.70	167.90
Total	**2,639.62**	**1,469.12**

29 Depreciation and Amortization Expense

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation expenses	3,168.80	2,528.92
Amortization expenses	36.48	34.84
Total	**3,205.28**	**2,563.76**

30 Other Expenses

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Rent	92.45	171.55
Rates and Taxes	20.74	14.22
Electricity expenses	18.09	18.32
Insurance	274.36	60.06
Repairs and Maintenance:		
Vehicle	67.22	60.31
Computers	109.94	81.36
Building	0.47	0.25
Printing and Stationery expenses	75.87	56.76
Communication expenses	28.43	28.56
Auditor's Remuneration	22.22	20.20
Legal and Professional expenses	141.96	154.52
Director's Sitting Fees	3.75	2.10
Travelling and Conveyance	90.56	36.10
Advertisement expenses	18.49	17.79
Sponsorship Fees	17.50	1.12
Allowances for Expected Credit Loss	322.76	34.14
Provision for loss on Impairment of Loan	200.00	214.95
Irrecoverable site expenses	934.02	-
Loss from Joint Venture	-	46.28
Corporate Social Responsibility Expenses (Refer Note No. 42)	304.32	279.31
Donation	5.46	10.05
Net Loss on Property, Plant and Equipment written off	82.68	27.91
Net Loss on sale of Assets	-	0.79
Net Loss on Foreign Exchange Fluctuations	-	133.82
Miscellaneous Expenses	31.34	25.62
Total	**2,862.63**	**1,496.09**

30.1 Remuneration to Auditors

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Payment to Statutory Auditors		
For Audit Fees	22.22	20.20
Total	**22.22**	**20.20**

Notes to the Standalone Financial Statements for the year ended March 31, 2022

31 Earnings per share (EPS)

Particulars	Unit	Year ended March 31, 2022	Year ended March 31, 2021
(i) Net Profit after Tax attributable to equity holders of the Company	₹ in Lakhs	16,240.42	8,079.04
(ii) Weighted average number of shares outstanding during the year	In Nos.	3,60,00,000	3,60,00,000
(iii) Basic and Diluted Earnings Per Share ((i)/(ii))	In ₹	45.11	22.44

32 Employee benefits

[A] Defined contribution plans:

The Company makes contributions towards provident fund to defined contribution retirement benefit plan for qualifying employees. The provident fund contributions are made to Government administered Employees Provident Fund. Both the employees and the Company make monthly contributions to the Provident Fund Plan equal to a specified percentage of the covered employee's salary.

Contribution to Defined Contribution Plan, recognised as expenses during the year is as under:

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Contribution to Labour Welfare Fund	0.30	0.29
Contribution to Employee State Insurance Corporation Fund	28.06	32.55
Contribution to Provident Fund	186.27	106.83
Total	**214.63**	**139.67**

[B] Defined benefit plan:

The Company has a defined benefit gratuity plan in India (partially funded) for employees,who have completed five years or more of service is entitled to gratuity on termination of their employement at 15 days last drawn salary for each completed year of service. Further, the plan requires contributions to be made to a separately administered fund. The fund is managed by a trust which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy.

Gratuity is a defined benefit plan and company is exposed to the Following Risks:

Investment risk:

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Interest risk:

A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Longevity risk:

Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Salary risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

The following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at March 31, 2022.

Notes to the Standalone Financial Statements for the year ended March 31, 2022

32 Employee benefits *(contd...)*

a) **Reconciliation in present value of defined benefit obligation:**

(₹ in Lakhs)

Particulars	2021-22	2020-21
Defined benefit obligations as at beginning of the year	333.48	304.59
Current service cost	67.51	64.74
Past service cost	-	-
Interest cost	22.74	20.77
Actuarial (Gains)/Losses	169.23	(16.04)
Benefits paid	(39.73)	(40.58)
Defined benefit obligations as at end of the year	**553.23**	**333.48**

b) **Reconciliation of fair value of Plan Assets**

(₹ in Lakhs)

Particulars	2021-22	2020-21
Fair Value of Plan Assets at the Beginning of the Period	245.31	240.08
Contributions by the Employer	328.90	13.16
Interest Income	16.73	16.37
Benefit Paid from the Fund	(39.73)	(20.58)
Return on Plan Assets, Excluding Interest Income	(2.07)	(3.72)
Fair Value of Plan Assets at the End of the Period	**549.14**	**245.31**

c) **Amount recognised in balance sheet**

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
PVO at the end of period	553.23	333.48
Fair value of planned assets at end of year-Insurance Fund	549.13	245.31
Funded status - Deficit	(4.10)	(88.17)
Net asset/(liability) recognised in the balance sheet	**(4.10)**	**(88.17)**

d) **Amount recognised in Statement of Profit and Loss:**

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Current service cost	67.51	64.74
Interest cost	6.01	4.40
Past service cost	-	-
Total	**73.52**	**69.14**

e) **Amount recognised in Other Comprehensive Income Remeasurements:**

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Actuarial (Gains)/ Losses	169.23	(16.04)
Return on Plan Assets, Excluding Interest Income	2.07	3.72
Total	**171.30**	**(12.32)**

Notes to the Standalone Financial Statements for the year ended March 31, 2022

32 Employee benefits *(contd...)*

f) Principal assumptions used in determining defined benefit obligations for the company

Particulars	As at March 31, 2022	As at March 31, 2021
Expected Return on Plan Assets (% per annum)	6.96%	6.82%
Discount rate (% per annum)	6.96%	6.82%
Salary escalation rate (% per annum)	8.25%	7.00%
Employee attrition rate (% per annum)	For service 4 years and below 12.00% p.a. For service 5 years and above 8.00% p.a.	For service 4 year and below 12.00% p.a. For service 5 year and above 3.00% p.a.
Mortality Rate (% per annum)	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality (2006-08)
Normal Retirement Age (In Years)	60	58
Average Future Service (In Years)	9	18

Note 1: Discount rate is determined by reference to market yields at the balance sheet date on Government bonds, where the currency and terms of the Government bonds are consistent with the currency and estimated terms for the benefit obligation.

Note 2: The estimate of future salary increases taken into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

g) Expected Cash flow of Maturity Profile for following years of Defined Benefit Obligations:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Year 1	37.26	8.90
Year 2	53.94	12.98
Year 3	41.75	29.74
Year 4	43.96	14.50
Year 5	47.06	16.35
Year 6 to 10	233.41	99.10
Year 11 and above	759.43	841.23

h) Sensitivity analysis:

(₹ in Lakhs)

Scenario	As at March 31, 2022		As at March 31, 2021	
	DBO	Change	DBO	Change
Under Base Scenario				
Discount Rates - Up by 1 %	(44.12)	(7.97%)	(38.83)	(11.64%)
Discount Rates - Down by 1 %	51.76	9.36%	47.51	14.25%
Salary Escalation - Up by 1 %	45.91	8.30%	43.42	13.02%
Salary Escalation - Down by 1%	(40.64)	(7.35%)	(36.72)	(11.01%)
Withdrawal Rates - Up by 1%	(6.09)	(1.10%)	(1.14)	(0.34%)
Withdrawal Rates - Down by 1 %	6.66	1.20%	1.08	0.32%

Notes to the Standalone Financial Statements for the year ended March 31, 2022

32 Employee benefits *(contd...)*

i) Category of Assets: (₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Insurance Fund	549.13	245.31

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

(₹ in Lakhs)

Total Employee Benefit Liabilities	Note No.	Year ended March 31, 2022	Year ended March 31, 2021
Provisions	17	4.10	88.17

33 Tax Expense

(a) Amounts recognised in profit and loss (₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Current Tax Expense (A)		
Current year	5,709.45	3,035.25
Deferred Tax Expense (B)		
Origination and reversal of temporary differences	(18.52)	(247.86)
Tax Expense recognised in the income statement (A+B)	**5,690.93**	**2,787.39**

(b) Amounts recognised in other comprehensive income (₹ in Lakhs)

Particulars	Year ended March 31, 2022			Year ended March 31, 2021		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit plans	(171.30)	43.12	(128.18)	12.32	(3.10)	9.22
Total	**(171.30)**	**43.12**	**(128.18)**	**12.32**	**(3.10)**	**9.22**

(c) Reconciliation of effective tax rate (₹ in Lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	%	Amount	%	Amount
Profit Before Tax		**21,931.35**		**10,866.43**
Tax using the Company's domestic tax rate	25.17%	5,519.68	25.17%	2,734.86
Tax effect of:				
Effect of Expenses that are not deductible in determining taxable profit	5.08%	1,113.04	8.44%	917.30
Effect of income that is exempt from taxation	(0.37%)	(81.34)	0.11%	11.65
Effect of Expenses that are deductible in determining taxable profit	(3.86%)	(846.55)	(5.62%)	(611.13)
Others	(0.06%)	(13.89)	(2.44%)	(265.29)
Effective income tax rate/Income tax expense	**25.95%**	**5,690.93**	**25.65%**	**2,787.39**

Notes to the Standalone Financial Statements for the year ended March 31, 2022

34 Fair value measurement hierarchy:

(₹ in Lakhs)

Particulars	As at March 31, 2022						
	Carrying amount	Amortised Cost	FVTOCI	FVTPL	Level of input used in		
					Level 1	Level 2	Level 3
Financial assets							
Investments*	21.09	21.09	-	-	-	-	-
Loans	593.25	593.25	-	-	-	-	-
Trade receivables	31,177.92	31,177.92	-	-	-	-	-
Cash and cash equivalents and Other Bank Balances	19,518.09	19,518.09	-	-	-	-	-
Other financial assets	36,124.70	36,124.70	-	-	-	-	-
	87,435.05	**87,435.05**	**-**	**-**	**-**	**-**	**-**
Financial liabilities							
Borrowings	8,311.52	8,311.52	-	-	-	-	-
Trade payables	25,760.89	25,760.89	-	-	-	-	-
Other Financial liabilities	3,600.55	3,600.55	-	-	-	-	-
	37,672.96	**37,672.96**	**-**	**-**	**-**	**-**	**-**

*Exclude investment in subsidiaries and joint venture amounting to ₹ 50.59 Lakhs as it is carried at cost.

(₹ in Lakhs)

Particulars	As at March 31, 2021						
	Carrying amount	Amortised Cost	FVTOCI	FVTPL	Level of input used in		
					Level 1	Level 2	Level 3
Financial assets							
Investments*	21.09	21.09	-	-	-	-	-
Loans	3,429.05	3,429.05	-	-	-	-	-
Trade receivables	22,203.74	22,203.74	-	-	-	-	-
Cash and cash equivalents and Other Bank Balances	22,875.53	22,875.53	-	-	-	-	-
Other financial assets	20,644.75	20,644.75	-	-	-	-	-
	69,174.15	**69,174.15**	**-**	**-**	**-**	**-**	**-**
Financial liabilities							
Borrowings	7,083.21	7,083.21	-	-	-	-	-
Trade payables	25,664.55	25,664.55	-	-	-	-	-
Other Financial liabilities	2,149.02	2,149.02	-	-	-	-	-
	34,896.78	**34,896.78**	**-**	**-**	**-**	**-**	**-**

*Exclude investment in subsidiaries and joint venture amounting to ₹ 57.28 Lakhs as it is carried at cost.

Fair value of financial assets and financial liabilities measured at amortised cost.

The carrying amounts of trade receivables, loans, advances, cash and other bank balances are considered to be the same as their fair values due to their short term nature. The carrying amounts of long term loans given with fixed rate of interest are considered at fair value.

The carrying amount of trade and other payables are considered to be the same as their fair values due to their short term nature.The carrying amonts of borrowings with floating rate of interest are considered to be close to fair value.

Notes to the Standalone Financial Statements for the year ended March 31, 2022

35 Capital Management

The primary objective of capital management of the Company is to maximise Shareholder value. The Company monitors capital using Debt-Equity ratio which is total debt divided by total equity. For the purposes of capital management, the Company considers the following components of its Balance Sheet to manage capital:

Total equity includes General reserve, Retained earnings, Share capital and Security premium. Total debt includes current debt plus non-current debt.

The Debt-Equity ratio at the end of the reporting period are as under: (₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current borrowing	3,372.24	1,291.41
Current borrowing	6,593.45	6,804.88
Total Debt	**9,965.69**	**8,096.29**
Total equity	**68,471.52**	**53,799.27**
Adjusted net debt to adjusted equity ratio	**0.15**	**0.15**

36 Financial risk management

Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board oversee the management of these financial risks through its Risk Management Committee as per Company's existing policy.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The audit committee oversees how the management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted by internal audit. Internal audit undertakes both regular and ad hoc review of risk management controls and procedures, the results of which are reported to the audit committee.

The Company has exposure to the following risks arising from financial instruments:

A) Credit risk;

B) Liquidity risk;

C) Market risk; and

D) Interest rate risk

A. Credit risk

Trade Receivable

The Company's customer profile include a mix of customers – government, government residential, industrial, institutional and private sector residential. Credit risk arising from trade receivables is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management. General payment terms include mobilisation advance, monthly progress payments with a credit period ranging from 7 to 120 days and certain retention money to be released at the end of the project as per the relevant contract terms. In certain contracts, short term advances are received before the performance obligation is satisfied. In some cases, retentions are substituted with bank guarantees.

Summary of the company's exposure to credit risk from various customer is as follows: (₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Trade Receivable	31,697.18	22,400.24
Less: Expected credit loss allowance	(519.26)	(196.50)
Total	**31,177.92**	**22,203.74**

Notes to the Standalone Financial Statements for the year ended March 31, 2022

36 Financial risk management *(contd...)*

Movement in Expected Credit Loss Allowance

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Expected Credit Loss Allowance	**196.50**	**162.36**
Add: Additional provision made	322.76	34.14
Less: Reversal of provision	-	-
Closing Expected Credit Loss Allowance	**519.26**	**196.50**

Other financial assets

The Company maintains exposure in cash and cash equivalents, term deposits with banks and loans to subsidiary companies. The Company has diversified portfolio of investment with various number of counterparties which have secure credit ratings hence the risk is reduced. Cumulative allocation limits are set for each category of asset class. Credit limits and concentration of exposures are actively monitored by the finance department of the Company.

B. Liquidity risk

The principal sources of liquidity of the Company are cash and cash equivalents, borrowings and the cash flow that is generated from operations. The Company believes that current cash and cash equivalents, tied up borrowing lines and cash flow that is generated from operations is sufficient to meet requirements. Accordingly, liquidity risk is perceived to be low. The following table shows the maturity analysis of financial liabilities of the Company based on contractually agreed undiscounted cash flows as at the Balance Sheet date:

As at March 31, 2022

(₹ in Lakhs)

Particulars	Note No.	Carrying Amount	Less than 12 months	More than 12 months	Total
Non-current Borrowings (Incl. current maturities)	16	3,372.24	1,654.17	1,718.07	3,372.24
Current Borrowings	16	6,593.45	6,593.45	-	6,593.45
Trade Payables	18	25,760.89	25,760.89	-	25,760.89
Other Financial Liabilities	19	3,600.55	3,600.55	-	3,600.55
Total		**39,327.13**	**37,609.06**	**1,718.07**	**39,327.13**

As at March 31, 2021

(₹ in Lakhs)

Particulars	Note No.	Carrying Amount	Less than 12 months	More than 12 months	Total
Non-current Borrowings (Incl. current maturities)	16	1,291.41	1,013.08	278.33	1,291.41
Current Borrowings	16	6,804.88	6,804.88	-	6,804.88
Trade Payables	18	25,664.55	25,664.55	-	25,664.55
Other Financial Liabilities	19	2,149.02	2,149.02	-	2,149.02
Total		**35,909.86**	**35,631.53**	**278.33**	**35,909.86**

C Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices it will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales and purchases are denominated. The functional currency for the Company is INR. The currencies in which these transactions are primarily denominated is US dollars.

Notes to the Standalone Financial Statements for the year ended March 31, 2022

36 Financial risk management *(contd...)*

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

(Amt. in Lakhs)

Particulars	Liabilities		Assets	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Loans (USD)	-	-	-	37.38
Trade Payables (Euro)	0.01	-	-	-
Trade Payables (USD)	-	-	-	-
Capital Payables (Euro)	0.08	-	-	-
Due to Related Party (Euro)	0.07	-	-	-

(₹ in Lakhs)

Particulars	Liabilities		Assets	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Loans (INR for USD)	-	-	-	2,747.72
Trade Payables (INR for Euro)	1.05	-	-	-
Trade Payables (INR for USD)	-	-	-	-
Capital Payables (INR for Euro)	6.89	-	-	-
Due to Related Party (INR for Euro)	6.25	-	-	-

Foreign currency sensitivity analysis

The Company is mainly exposed to the currency : USD and Euro.

The following table details the Company's sensitivity to a 5% increase and decrease in the Rupee against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. This is mainly attributable to the net exposure outstanding on receivables or payables in the Company at the end of the reporting period. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rate. A positive number below indicates an increase in the profit or equity where the Rupee strengthens by 5% against the relevant currency. For a 5% weakening of the Rupee against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be negative.

Impact on profit or loss before tax and total equity

(₹ in Lakhs)

Particulars	Impact in INR	
	As at March 31, 2022	As at March 31, 2021
Increase in exchange rate by 5% (USD)	-	137.39
Decrease in exchange rate by 5% (USD)	-	(137.39)
Increase in exchange rate by 5% (Euro)	(0.71)	-
Decrease in exchange rate by 5% (Euro)	0.71	-

D Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company seeks to mitigate such risk by maintaining an adequate proportion of floating and fixed interest rate borrowings. Summary of financial assets and financial liabilities has been provided below:

Notes to the Standalone Financial Statements for the year ended March 31, 2022

36 Financial risk management *(contd...)*

Exposure to interest rate risk

The interest rate profile of the Company's interest - bearing financial instrument as reported to management is as follows:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Fixed-rate instruments		
Financial Assets	593.25	3,429.05
Financial Liabilities	3,372.24	1,291.41
Variable-rate instruments		
Financial Assets	-	-
Financial Liabilities	6,593.45	6,804.88

Interest rate sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of change in interest rates. The following table demonstrates the sensitivity of floating rate financial instruments to a reasonably possible change in interest rates. The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

Impact on Profit / (loss) after tax (₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Increase in 100 basis points	(49.34)	(50.92)
Decrease in 100 basis points	49.34	50.92

37 Related party transactions

Related Party Disclosures:

(i) Names of the related parties and description of relationship

As per the Indian Accounting Standard-24 on "Related Party Disclosures", list of related parties identified of the Company are as follows.

(a) Subsidiary/Associate/Joint Venture

Name of the entity	Type
PSP Projects and Proactive Constructions Private Limited	Subsidiary
PSP Foundation	Subsidiary
PSP Projects INC	Foreign Subsidiary (Ceased w.e.f. December 23, 2021)
M/s. GDCL and PSP Joint Venture	Joint Venture
P and J Builders LLC	Step down Foreign Joint Venture - Level-I (Ceased w.e.f. December 01, 2021)
PSP Fremont LLC	Step down Foreign Joint Venture - Level-I (Ceased w.e.f. December 01, 2021)
Guttenberg Projects LLC	Step down Foreign Joint Venture - Level-II (Ceased w.e.f. December 01, 2021)

Notes to the Standalone Financial Statements for the year ended March 31, 2022

37 Related party transactions *(contd...)*

(b) **Key Management Personnel and Relatives**

Name of the Key Management Personnel	Type
Mr. Prahaladbhai S. Patel	Chairman, Managing director and Chief Executive Officer
Mrs. Shilpaben P. Patel	Whole Time Director (Resigned from August 05, 2020)
Ms. Pooja P. Patel	Whole Time Director
Mr. Sagar P. Patel	Executive Director
Mr. Chirag Narendra Shah	Independent Director (Resigned from close of business hours of March 31, 2022)
Mr. Sandeep Himmatlal Shah	Independent Director
Mr. Vasishtha Pramodbhai Patel	Independent Director
Mrs. Zarana Pratik Patel	Independent Director
Mrs. Hetal Patel	Chief Financial Officer
Ms. Mittali Christachary	Company Secretary (Resigned from December 11, 2021)
Mr. Kenan Patel	Company Secretary (Appointed from December 14, 2021)
Name of the Relative	**Relation**
Mr. Dinubhai Patel	Brother of Chairman, Managing Director and Chief Executive Officer.

(c) **Entities controlled by Directors / Relatives of Directors:**

Name of the Entities	Type
PSP Properties Private Limited	M/s. Adishwaram Innovative LLP
Sprybit Softlabs LLP	M/s. A P Constructions
Shilp Products LLP	M/s. SIM Developers

(ii) **Transactions with related parties:**

(₹ in Lakhs)

Particulars	2021-22	2020-21
Purchase of Assets - Land, Building, Plant and Machinery, Vehicle, Computers and Intangible Assets		
Shilp Products LLP	180.45	15.35
Sales of Assets / Others		
Shilp Products LLP	-	16.93
Rendering Services		
PSP Projects and Proactive Constructions Private Limited	69.55	-
Interest Income		
PSP Projects Inc.	155.08	203.73
M/s. GDCL and PSP Joint Venture	74.15	76.57
PSP Projects and Proactive Constructions Private Limited	26.74	50.00
Receipt of Services		
M/s. A P Constructions	755.90	858.83
Dinubhai Patel	25.00	25.00
Sprybit Softlabs LLP	-	13.83
Prahaladbhai S. Patel	67.23	58.48

Notes to the Standalone Financial Statements for the year ended March 31, 2022

37 Related party transactions *(contd...)*

(₹ in Lakhs)

Particulars	2021-22	2020-21
Purchase of Material / Concrete Mix		
Shilp Products LLP	66.51	62.72
Sale of Concrete Mix		
PSP Projects and Proactive Constructions Private Limited	0.59	-
Shilp Products LLP	3.17	32.83
M/s. A P Constructions	14.68	9.81
M/s. Adishwaram Innovative LLP	1.46	-
Reimbursements of Expenses		
M/s. GDCL and PSP Joint Venture	1.08	1.58
Share of Profit /(Loss) from Partnership Firm		
M/s. GDCL and PSP Joint Venture	33.51	(46.28)
Director's Sitting Fees Paid		
Chirag Narendra Shah	0.60	0.60
Sandeep Himmatlal Shah	1.05	0.45
Vasishtha Pramodbhai Patel	1.05	0.60
Mrs. Zarana Pratik Patel	1.05	0.45
Remuneration		
Prahaladbhai S. Patel	1,480.00	500.40
Shilpaben P. Patel	-	49.22
Pooja P. Patel	150.00	122.52
Sagar P. Patel	51.00	22.24
Hetal Patel	29.43	22.92
Mittali Christachary	5.37	6.07
Kenan Patel	2.53	-
Investment / (Disinvestment) in Equity of Subsidiary		
PSP Projects and Proactive Constructions Private Limited	-	1.30
PSP Foundation	-	1.00
PSP Projects Inc. (Net)	(7.39)	-
Impairment on Loan / Investment		
PSP Projects Inc. (Loan)	214.95	(214.95)
PSP Projects and Proactive Constructions Private Limited (Investment)	-	(366.30)
PSP Projects and Proactive Constructions Private Limited (Loan)	(200.00)	-
Loan Given / (Repaid)		
PSP Projects Inc.(Net)	(2,789.50)	37.91
M/s. GDCL and PSP Joint Venture (Net)	-	(425.24)
PSP Projects and Proactive Constructions Private Limited (Net)	(100.00)	(200.00)

Notes to the Standalone Financial Statements for the year ended March 31, 2022

37 Related party transactions *(contd...)*

(iii) Outstanding balances arising from sales/purchases of goods/services with related Parties: (₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Investment		
PSP Projects and Proactive Constructions Private Limited	5.00	5.00
PSP Foundation	1.00	1.00
PSP Projects Inc.	-	6.69
M/s. GDCL and PSP Joint Venture	44.59	44.59
Loans		
PSP Projects Inc.	-	2,574.55
M/s. GDCL and PSP Joint Venture	540.03	540.03
M/s. GDCL and PSP Joint Venture (Cr. Balance in current capital)	33.51	-
PSP Projects and Proactive Constructions Private Limited	200.00	300.00
Trade Payables		
M/s. A P Constructions	63.81	102.22
Dinubhai Patel	6.25	6.25
Shilp Products LLP	28.93	28.00
Other Financial Assets (Interest Receivable)		
M/s. GDCL and PSP Joint Venture	74.15	-
PSP Projects Inc.	-	173.17
Remuneration Payable		
Prahaladbhai S. Patel	30.00	23.85
Pooja P. Patel	4.00	8.40
Sagar P. Patel	-	1.56
Hetal Patel	1.86	1.78
Mittali Christachary	-	0.55
Kenan Patel	0.69	-

(iv) Terms and conditions

a) Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

b) All the credit facilities of ₹ 1,04,700 Lakhs (P.Y. ₹ 1,04,700 Lakhs) and Term loan of ₹ 3,372.24 Lakhs as on 31.03.2022 (₹ 1,291.41 Lakhs as on 31.03.2021) are guaranteed by Mr. Prahaladbhai S. Patel, Mrs. Shilpaben P. Patel and Ms. Pooja P. Patel and secured against collateral securities held in the name of company and Mr. Prahaladbhai S. Patel.

Notes to the Standalone Financial Statements for the year ended March 31, 2022

38 Contingent Liabilities and Capital Commitments

(i) **Contingent Liabilities:**

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Claims against Company not acknowledged as debt		
- Tax matters in dispute under appeal*	438.99	411.33
- Dispute in relation to the payment of wages	16.79	15.77
Bank guarantees for Performance, Earnest Money and Security Deposits**	48,317.41	36,313.31
Total	**48,773.19**	**36,740.41**

* The above matters are currently being considered by the tax authorities with various forums and the Company expects the judgement will be in its favour and has therefore, not recognised the provision in relation to these claims.

** includes bank gurantees of ₹ 196.87 Lakhs (March 31, 2021 ₹ 196.87 Lakhs) given on behalf of joint venture.

(ii) **Capital Commitments:**

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for Property, Plant and Equipment (net of advances)	110.43	1,132.47
Total	**110.43**	**1,132.47**

39 Revenue from contracts with customers (Disclosure as per Ind AS 115)

(a) **Disaggregation of revenue from contracts with customers**

In the following table, revenue from contracts with customers is disaggregated by primary geographical area.

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
India	1,73,688.04	1,23,413.94

(b) **Contract balances**

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Trade Receivables	31,177.92	22,203.74
Contract assets		
Retention money receivable from customers	11,352.94	9,301.87
Amount due from customers	9,922.25	7,722.15
Contract liabilities		
Advance received from Customers	13,677.13	4,927.32
Amount due to customers	2,146.58	2,313.19

A contract asset is Company's right to consideration for work completed but not billed at the reporting date and a right to consideration that is conditioned on achievement of milestone specified in the contract excluding any amounts presented as a receivable. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Company issues an invoice to the customer or milestones are achieved as specified in the contract. The contract liabilities primarily relate to the advance consideration received from customers for construction for which revenue is recognised over time.

Amounts due from contract customers represents the gross unbilled amount expected to be collected from customers for contract work performed till date. It is measured at cost plus profit recognised till date less progress billings and recognised losses when incurred.

Notes to the Standalone Financial Statements for the year ended March 31, 2022

39 Revenue from contracts with customers (Disclosure as per Ind AS 115) *(contd...)*

Amounts due to contract customers represents the excess of progressive billing over the revenue recognised (cost plus attributable profits) for the contract work performed till date.

Significant changes in contract asset and contract liabilities balances during the year are as follows (₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Due from contract customers		
At the beginning of the reporting period	7,722.15	11,594.73
Cost incurred plus attributable profits on contracts-in-progress	76,133.31	90,100.40
Progressive billings made towards contracts-in-progress	73,933.21	93,972.98
Due from contract customers impaired during the reporting period	-	-
Significant changes due to other reasons	-	-
At the end of the reporting period	9,922.25	7,722.15

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Due to contract customers		
At the beginning of the reporting period	(2,313.19)	(963.73)
Cost incurred plus attributable profits on contracts-in-progress	21,485.03	19,857.37
Progressive billings made towards contracts-in-progress	21,318.42	21,206.83
Due from contract customers impaired during the reporting period	-	-
Significant changes due to other reasons	-	-
At the end of the reporting period	(2,146.58)	(2,313.19)

(c) Movement of Expected Credit Loss during the year

In March 2022, ₹ 322.76 Lakhs (March 2021, ₹ 34.14 Lakhs) was recognised as provision for expected credit losses on Trade Receivables.

(d) Performance obligation

The Company recognises revenue from contracts with customers when it satisfies a performance obligation by transferring promised good or service to a customer. The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Performance obligation is satisfied over time when the transfer of control of asset (good or service) to a customer is done over time and in other cases, performance obligation is satisfied at a point in time. For performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation.

For contracts where the aggregate of contract cost incurred to date plus recognised profits (or minus recognised losses as the case may be) exceeds the progress billing, the surplus is shown as contract asset and termed as "Due from customers". For contracts where progress billing exceeds the aggregate of contract costs incurred to-date plus recognised profits (or minus recognised losses, as the case may be), the surplus is shown as contract liability and termed as "Due to customers". Amounts received before the related work is performed are disclosed in the Balance Sheet as contract liability and termed as "Advances from customer". The amounts billed on customer for work performed and are unconditionally due for payment i.e. only passage of time is required before payment falls due, are disclosed in the Balance Sheet as trade receivables. The amount of retention money held by the customers pending completion of performance milestone is disclosed as part of contract asset and is reclassified as trade receivables when it becomes due for payment.

The aggregate value of performance obligations that are completely or partially unsatisfied as at 31 March 2022 is ₹ 4,32,351 Lakhs. The revenue recognition mainly depends on meeting the delivery schedules, contractual terms and conditions with customers, availability of customer sites, changes in scope, variation in prices etc. In view of these, it is not practical to define the accurate percentage of conversion to revenue on yearly basis. However, a tentative bifurcation of remaining performance obligation within next 3 years is as follows :

(₹ in Lakhs)

Particulars	FY 2022-23	FY 2023-24	FY 2024-25
Contract revenue	2,43,133	1,26,134	63,084

Notes to the Standalone Financial Statements for the year ended March 31, 2022

39 Revenue from contracts with customers (Disclosure as per Ind AS 115) *(contd...)*

(e) Reconciliation of revenue recognised in the Statement of Profit and Loss

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Contract price of the revenue recognised	1,75,626.05	1,23,413.94
Less : Liquidated damages	-	-
Less: Material Received from customer	1,938.01	-
Revenue recognised in the statement of Profit and Loss	**1,73,688.04**	**1,23,413.94**

(f) Out of the total revenue recognised under Ind AS 115 during the year, 1,73,688.04 Lakhs (Year 2020-21: ₹ 1,23,413.94 Lakhs) is recognised over a period of time.

40 Disclosure of Creditors outstanding under MSMED Act, 2006

Disclosure of sundry creditors under current liabilities is based on the information available with the Company regarding the status of the suppliers as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" (the Act). There is no overdue amount outstanding as at the Balance sheet date.

(₹ in Lakhs)

Sr. No.	Particulars	As at March 31, 2022	As at March 31, 2021
a)	(i) Principal amount remaining unpaid to supplier under the MSMED Act 2006	1,284.41	1,014.65
	ii) Interest on a) (i) above	1.27	1.17
b)	The amount of interest paid by the Company in terms of section 16 of the MSMED, along with amount of payment made to the supplier beyond the appointed date during the accounting year.	-	-
c)	The amount of interest accrued and remaining unpaid at the end of the financial year	1.27	1.17
d)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding interest specified under MSMED.	-	-
e)	The amount of further interest remaining due and payable even in the succeeding year	-	-

41 Segment Information

The company is engaged in construction project activities. Considering the nature of company's business and operations as well as reviews of operating results by the Chief Operating Decision Makers to make decisions about resource allocation and performance allocation and performance measurement the company has identified construciton project acvities as only responsibile segment in accordance with the requirements of Ind AS 108 operating segment.

Notes to the Standalone Financial Statements for the year ended March 31, 2022

42 Corporate Social Responsibility (CSR) Expenditure

(a) Details of Corporate Social Responsibility:

(₹ in Lakhs)

Particulars		Year ended March 31, 2022	Year ended March 31, 2021
CSR amount required to be spent by the Company as per Section 135 of the Companies Act, 2013	**(A)**	**291.08**	**279.31**
Gross Amount Spend by the Company during the year			
(i) Construction/acquisition of any asset			
(ii) Purposes other than (i) above			
Promoting health care including preventive health care – Schedule VII (i)		300.00	257.32
Animal Welfare		-	10.00
Promoting education and enhancing vocational skills especially amongst children - Schedule VII (ii)		4.32	-
Total CSR spend in actual	**(B)**	**304.32**	**267.32**
Shortfall / (Excess)	**(A-B)**	**(13.24)**	**11.99**
Details of related party transactions, e.g., contribution to a trust controlled by the Company in relation to CSR expenditure as per Ind AS 24		-	-

(i) The unspent CSR amount for the FY 2020-21 aggregating to ₹ 11.99 Lakhs was transferred to PM CARES FUND, a fund specified under Schedule VII of the Companies Act, 2013 within a period of six months of the expiry of the financial year ended March 31, 2021 as required under Section 135(5) of the Companies Act, 2013 and Rules made thereunder and the amount of separate unspent account as at 31 March 2022 is ₹ Nil.

(ii) Excess amount spend for CSR during the FY 2021-22 of ₹ 13.24 Lakhs, available for set off in succeeding financial years.

43 Exceptional items

Exceptional items as on March 31, 2022 is ₹ Nil, (P.Y. ₹ 366.30 Lakhs (274.11 Lakhs net of tax) for provision of impairment in value of investment in PSP Projects and Proactive Constructions Pvt. Ltd.)

44 Ratio Analysis

Sr. No.	Ratios	Numerator	Denominator	As at March 31, 2022	As at March 31, 2021	(%) Change	Reason for Variance
1	Current Ratio (times)	Current Assets	Current Liabilities	1.45	1.54	(5.84%)	
2	Debt Equity Ratio (times)	Total Borrowings	Total Equity	0.15	0.15	0.00%	
3	Debt Service Coverage Ratio (times)	Earnings for debt service (i)	Debt service (ii)	24.84	41.83	(40.62%)	Decrease mainly on account of increase in term loan for precast plant and machinery.
4	Return on Equity Ratio (%)	Net Profit After Tax	Average Total Equity	26.56%	16.24%	63.55%	Increase mainly on account of improvement in profitability
5	Inventory Turnover Ratio (times)	Cost of Goods Sold	Average Inventory	5.89	4.25	38.59%	Increase mainly on account of increase in Revenue from Operations which lead to increase in cost of goods sold
6	Trade Receivable Turnover Ratio (times)	Revenue from Operations	Average Trade Receivables	6.55	5.56	17.81%	

Notes to the Standalone Financial Statements for the year ended March 31, 2022

44 Ratio Analysis *(contd...)*

Sr. No.	Ratios	Numerator	Denominator	As at March 31, 2022	As at March 31, 2021	(%) Change	Reason for Variance
7	Trade Payables Turnover Ratio (times)	Cost of Goods Sold+Construction Expenses	Average Trade Payable	5.41	4.43	22.12%	
8	Net Capital Turnover Ratio (times)	Revenue from Operations	Average Working Capital	7.02	5.68	23.59%	
9	Net Profit Ratio (%)	Net Profit After Tax	Revenue from Operations	9.29%	6.51%	42.70%	Increase mainly on account of improvement in profitability
10	Return on Capital Employed (%)	Earning Before Interest and Taxes	Average Capital Employed (Total Equity + Long term Borrowings)	36.12%	21.79%	65.76%	Increase mainly on account of improvement in profitability.
11	Return on Investment (%)	Interest income on Fixed Deposits	Average Investment in Fixed Deposits	4.59%	5.97%	(23.12%)	

(i) Earning for Debt Service = Net Profit after tax+ Non-cash operating expenses (depreciation and amortisation, ECL, Provision for Loss on Loan)+ Interest on Term Loan+ other adjustments like Loss on write off/sale of property, plant and equipment, Reversal of Impairment of Loan, Provision for Loss on Impairment of Investment

(ii) Debt Services = Interest on Term Loan + Principal Repayment of Long Term Borrowings during the year

45 Code on Social Security

The Code on Social Security, 2020 ('Code') has been notified in the Official Gazette in September 2020 which could impact the contribution by the Company towards certain employment benefits. The effective date from which the changes and rules would become applicable is yet to be notified. Impact of the changes will be assessed and accounted in the relevant period of notification of relevant provisions.

46 Events after the reporting period:

The board of directors have recommended dividend of ₹ 5.00 per fully paid up equity share of ₹ 10/- each, which is subject to approval of members at Annual General Meeting.

47 Approval of Financial Statements:

The financial statements are approved for issue by the Audit Committee and Board of Directors at their meetings held on May 27 , 2022.

48 Transactions with Struck off companies:

The following table summarises the transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 for the year ended March 31, 2022:

(₹ in Lakhs)

Name of struck off Company	Nature of transactions with struck off Company	Amount of transactions	Balance outstanding	Relationship with the Struck off company
Yamunesh Infrastructures Pvt Ltd	Services availed	5.71	0.10	External vendor

The Company does not have any transactions with companies struck- off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 for the year ended March 31, 2021.

Notes to the Standalone Financial Statements for the year ended March 31, 2022

49 Statutory Information/compliance

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

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

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

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

(v) The Company has not entered with any Scheme(s) of arrangement in terms of sections 230 to 237 of the Companies Act, 2013.

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

(a) 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

(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

(vii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) 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

(b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

50 The figures of previous year have been regrouped/reclassified wherever necessary, to conform to the current year's classification.

In terms of our report attached

For Kantilal Patel & Co
Chartered Accountants
ICAI Firm Reg. No. : 104744W

For Riddhi P. Sheth & Co.
Chartered Accountants
ICAI Firm Reg. No. : 140190W

For and on behalf of the Board of Directors

Jinal A. Patel
Partner
Membership No. : 153599

Riddhi P. Sheth
Proprietor
Membership No. : 159123

Prahaladbhai S. Patel
Chairman, Managing Director and CEO
(DIN: 00037633)

Pooja P. Patel
Whole Time Director
(DIN: 07168083)

Hetal Patel
Chief Financial Officer

Kenan Patel
Company Secretary
Membership No.: ACS 39981

Place: Ahmedabad
Date : May 27, 2022

Place: Ahmedabad
Date : May 27, 2022

Independent Auditor's Report

To the members of PSP Projects Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of PSP Projects Limited (the "Holding Company"), and its subsidiaries (the Holding Company and the subsidiaries together referred to as the "Group") and its joint venture, comprising of the consolidated Balance Sheet as at March 31, 2022, the consolidated Statement of Profit and Loss (including Other Comprehensive Expense), the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'consolidated financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act"), in the manner so required, and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Group and its joint venture as at March 31, 2022 and its consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, 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 and evidence obtained by the other auditors in terms of their reports referred to in the 'Other Matters' paragraph below, is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S. No.	Key Audit Matter	Auditor's Response
	Revenue Recognition and Trade Receivables	

1.	There are significant accounting judgements including estimation of costs to complete, determining the stage of completion and the timing of revenue recognition.
	
	The Holding Company recognises revenue and profit/loss on the basis of stage of completion based on the proportion of contract costs incurred at balance sheet date.
	
	The Indian Accounting Standard requires an entity to select a single measurement method for the relevant performance obligation that depicts the entity's performance in transferring goods or services or if a contract is onerous, present obligations are recognised and measured as provisions
		Our audit procedures among the other things, included the following:
		➢ Testing of the design and implementation of controls involved for the determination of the estimates used as well as their operating effectiveness;
		➢ We selected a sample of contracts to test, using a risk based criteria which included individual contracts with:
		  ➢ significant revenue recognised during the year or
		  ➢ significant accrued value of work done balances held at the year-end;
		➢ Obtained an understanding of management's process for reviewing long term contracts, the risk associated with the contract and any key judgments.
		➢ Evaluated the design and implementation of key internal controls over the contract revenue and cost estimation process through the combination of procedures involving inquiry and observations, reperformance and inspection of evidence in respect of operations of these controls.

S. No.	Key Audit Matter	Auditor's Response
	We identified contract accounting as a key audit matter because the estimation, of the total revenue and total cost to complete the contract, prepared based on the prevailing circumstances, is inherently subjective, complex and require significant management judgment and forecast of contract revenue and/or contract cost may get subsequently changed due to change in prevailing circumstances, assumptions, contract variations or any other factor, and could result in material variance in the revenue and profit or loss from contract for the reporting period. Receivables has been considered a key audit matter due to the significance of the amount (₹ 31,100.71 Lakhs) and element of judgement involved in overall management assessment of the customers' ability to repay the outstanding balance. Refer to note number 2.17, 12 and 39 of the consolidated financial statements.	➢ Verified underlying documents such as original contract, and its amendments, if any, key contract terms and milestones, etc. for verifying the estimation of contract revenue and costs and /or any change in such estimation. ➢ Inquired with management on the progress of works and collections from customers to identify specific customers with which the holding company might have disagreements or disputes. ➢ Tested samples of un-invoiced revenue entries with reference to the reports from the records and costs incurred against the services delivered to confirm the work performed and application of appropriate margin applied for the respective services. ➢ Tested cut-offs for revenue recognised against un- invoiced amounts by matching the revenue accrual against accruals for corresponding cost. ➢ Reviewed the work done and collection history of customers against whose contracts unbilled revenue is recognised; and verification of subsequent receipts, post balance sheet date. ➢ Obtained confirmations from customers on sample basis to support existence assertion of trade receivables and assessed the relevant disclosures made in the Consolidated Financial Statements; to ensure revenue from contracts with customers are in accordance with the requirements of relevant accounting standards.

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

The Holding Company's management and Board of Directors are responsible for the other information. . The other information comprises the information included in the Board's Report including Annexures to the Board's Report, Management Discussion and Analysis, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditors' report thereon. The other information is expected to be made available to us after the date of this auditors' report.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditors' responsibilities relating to other Information'.

Management's responsibility for the Consolidated Financial Statements

The Holding Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, including consolidated total comprehensive income, consolidated changes in equity and cash flows of the Group including its joint venture in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act and the rules thereunder, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group including its joint venture 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management and Board of Directors of the respective companies are responsible for assessing the Group'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 or Board of Directors either intend to liquidate the Group including its joint venture or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the respective companies included in the Group including its joint venture are also responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the Consolidated Financial Statements

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

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

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

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

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

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

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group including joint venture of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. We remain solely responsible for our audit opinion.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other matter

1. The consolidated financial statements includes the audited financial statements/financial results/financial information of:

    a. 1 (one) subsidiary, whose financial statements reflects total assets (before consolidation adjustments) of INR 457.98 lakh as at March 31, 2022, total revenue (before consolidation adjustments) of INR 0.02 lakh, total net loss after tax (before consolidation adjustments) of INR 30.58 lakh, total comprehensive loss of INR 30.58 lakh and net cash inflow of INR 38.87 lakh for the year ended March 31, 2022, which has been audited by its independent auditor.

    b. 1 (one) joint venture, whose financial statements include the Group's share of net profit of INR 33.51 lakh for the year ended March 31, 2022, which has been audited by its independent auditor.

    The independent auditors' report on the financial statements of these entities have been furnished to us by the Management of the Holding Company and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us as stated in the paragraph above.

2. The accompanying consolidated financial statements includes the unaudited financial statements and other unaudited financial information of 1 (one) subsidiary (up to December 23, 2021), whose financial statements and other financial information reflects total assets (before consolidation adjustments) of INR NIL as at March 31, 2022, total revenue (before consolidation adjustments) of INR 498.96 lakh, total net profit after tax (before consolidation adjustments) of INR 336.70 lakh for the period up to December 23, 2021. These unaudited financial statements and other unaudited financial information has been approved and furnished to us by the Management of the Holding Company and our opinion, in-so far as it relates to the amounts and disclosures included in respect of this entity, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management of the Holding Company, these financial statements and other financial information are not material to the Group.

    Our opinion above on the consolidated financial statements and our report on Other Legal and Regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and financial information certified by the Management of the Holding Company.

Report on other legal and regulatory requirements

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

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

    (b) In our opinion, proper books of account as required by law relating to the preparation of the aforesaid consolidation of financial statements have been kept by the Holding Company so far as it appears from our examination of those books.

    (c) The consolidated Balance Sheet as at March 31, 2022, the consolidated Statement of Profit and Loss (including Other Comprehensive Expense), the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows for the year then ended dealt with by this Report are in agreement with the books of account.

    (d) In our opinion, the consolidated financial statements comply with the Ind AS specified under section 133 of the Act and the Rules thereunder, as amended.

    (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022, taken on record by the Board of Directors of the Holding Company and its subsidiaries incorporated in India and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Holding Company is disqualified as on March 31, 2022, from being appointed as a director in terms of section 164(2) of the Act.

    (f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company with reference to the consolidated financial statements of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A' to this report.

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

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

(i) The Group has disclosed the impact of pending litigations on its financial position in its consolidated financial statements. Please refer Note No. 38.

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

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company.

(iv) (a) The management of the Holding Company has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in 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 Group to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management of the Holding Company has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been received by the Group from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group 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; and

(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 of the Companies (Audit and Auditors) Rules, 2014, as provided in (a) and (b) above, contain any material misstatement.

(v) The final dividend paid by the Holding Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend. As stated in note 15 to the standalone Ind AS financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

For Kantilal Patel & Co.
Chartered Accountants
ICAI Firm registration number: 104744W

Jinal A. Patel
Partner
Membership No.: 153599
Place: Ahmedabad
Date: May 27, 2022
UDIN: 22153599AJSFYY5088

For Riddhi P. Sheth & Co.
Chartered Accountants
ICAI Firm registration number: 140190W

Riddhi P. Sheth
Proprietor
Membership No.: 159123
Place: Ahmedabad
Date: May 27, 2022
UDIN: 22159123AJRYFY9377

Annexure A to the Independent Auditor's Report of even date on the Consolidated Financial Statements of PSP Projects Limited

Referred to in paragraph 1(f) under 'Report on other legal and regulatory requirements' section of our report of even date to the members of PSP Projects Limited)

Report on the internal financial controls with reference to the consolidated financial statements under section 143(3)(i) of the Act

We have audited the internal financial controls over financial reporting of the Holding Company as of March 31, 2022 in conjunction with our audit of the consolidated financial statements of the Holding Company for the year ended on that date.

Management's responsibility for internal financial controls

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

Auditor's responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company and its subsidiary company, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the SAs prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those SAs and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to the consolidated financial statements.

Meaning of internal financial controls over financial reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these consolidated financial statements includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Holding Company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of the consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Holding Company are being made only in accordance with authorisations of management and directors of the Holding Company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Holding Company's assets that could have a material effect on the consolidated financial statements.

Inherent limitations of internal financial controls over financial reporting

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors as referred to in Other Matters paragraph below, the Holding Company and its subsidiary company, which are companies incorporated in India, have maintained, in all material respects, an adequate internal financial controls system over financial reporting with reference to these Consolidated Financial Statements and such internal financial controls over financial reporting with reference to the consolidated financial statements and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these Consolidated Financial Statements of the Holding Company, in so far as it relates to one subsidiary company which is company incorporated in India, is based solely on the corresponding reports furnished to us by the auditors of such company incorporated in India.

For Kantilal Patel & Co.
Chartered Accountants
ICAI Firm registration number: 104744W

Jinal A. Patel
Partner
Membership No.: 153599
Place: Ahmedabad
Date: May 27, 2022
UDIN: 22153599AJSFYY5088

For Riddhi P. Sheth & Co.
Chartered Accountants
ICAI Firm registration number: 140190W

Riddhi P. Sheth
Proprietor
Membership No.: 159123
Place: Ahmedabad
Date: May 27, 2022
UDIN: 22159123AJRYFY9377

Consolidated Balance Sheet as at March 31, 2022

(₹ in Lakhs)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
ASSETS			
(1) Non current Assets			
(a) Property, Plant and Equipment	3	20,601.82	11,494.34
(b) Capital Work-In-Progress	4	-	4,164.72
(c) Intangible Assets	5	135.31	124.34
(d) Financial Assets			
(i) Investments	6	66.68	66.68
(ii) Loans	7	-	2,472.98
(iii) Other Financial Assets	8	22,785.65	9,922.54
(e) Deferred Tax Asset (Net)	9	1,147.02	973.14
(f) Other Non Current Assets	10	191.63	646.72
Total Non-Current Assets		**44,928.11**	**29,865.46**
(2) Current Assets			
(a) Inventories	11	8,184.83	8,920.91
(b) Financial Assets			
(i) Trade receivables	12	31,100.71	22,653.74
(ii) Cash and cash equivalents	13	8,800.16	11,560.36
(iii) Bank Balances other than (ii) above	13	10,834.43	11,342.34
(iv) Loans	7	593.25	554.50
(v) Other Financial Assets	8	13,339.43	10,698.57
(c) Other Current Assets	10	9,255.45	3,536.69
Total Current Assets		**82,108.26**	**69,267.11**
Total Assets		**1,27,036.37**	**99,132.57**
EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share Capital	14	3,600.00	3,600.00
(b) Other Equity	15	65,095.93	49,989.95
Equity attributable to owners of Holding Company		**68,695.93**	**53,589.95**
Non-Controlling Interests		**-**	**-**
Total Equity		**68,695.93**	**53,589.95**
Liabilities			
(2) Non-Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	1,718.07	278.33
(b) Provisions	17	151.87	79.05
Total Non-Current Liabilities		**1,869.94**	**357.38**
(3) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	8,247.62	8,108.41
(ii) Trade Payables	18		
- Total outstanding dues of micro enterprises and small enterprises		1,284.52	1,014.65
- Total outstanding dues of creditors other than micro enterprises and small enterprises		24,535.50	24,649.91
(iii) Other Financial Liabilities	19	3,600.80	2,149.27
(b) Other Current Liabilities	20	18,781.74	8,465.02
(c) Provisions	17	19.59	105.14
(d) Current Tax Liabilities (Net)	21	0.73	692.84
Total Current Liabilities		**56,470.50**	**45,185.24**
Total Liabilities		**58,340.44**	**45,542.62**
Total Equity and Liabilities		**1,27,036.37**	**99,132.57**

The Notes on Account form Integral part of the Financial Statements 1 to 50 (As per our report of even date)

For Kantilal Patel & Co
Chartered Accountants
ICAI Firm Reg. No. : 104744W

For Riddhi P. Sheth & Co.
Chartered Accountants
ICAI Firm Reg. No. : 140190W

For and on behalf of the Board of Directors

Jinal A. Patel
Partner
Membership No. : 153599

Riddhi P. Sheth
Proprietor
Membership No. : 159123

Prahaladbhai S. Patel
Chairman, Managing Director and CEO
(DIN: 00037633)

Pooja P. Patel
Whole Time Director
(DIN: 07168083)

Hetal Patel
Chief Financial Officer

Kenan Patel
Company Secretary
Membership No.: ACS 39981
Place: Ahmedabad
Date : May 27, 2022

Place: Ahmedabad
Date : May 27, 2022

Consolidated Statement of Profit and Loss for the year ended March 31, 2022

(₹ in Lakhs)

	Particulars	Note No.	Year Ended March 31, 2022	Year Ended March 31, 2021
I	Revenue From Operations	22	1,74,806.33	1,24,086.24
II	Other Income	23	2,171.64	1,665.78
III	**Total Income (I+II)**		**1,76,977.97**	**1,25,752.02**
IV	**EXPENSES**			
	Cost of Construction Material Consumed	24	49,539.08	39,813.29
	Changes in Inventories of Finished Goods and Work-In-Progress	25	358.67	(236.52)
	Construction Expenses	26	89,161.31	64,442.86
	Employee Benefits Expense	27	7,233.92	5,089.71
	Finance Costs	28	2,648.89	1,500.79
	Depreciation and Amortization Expense	29	3,205.28	2,563.76
	Other Expenses	30	2,669.44	1,483.23
	Total Expenses (IV)		**1,54,816.59**	**1,14,657.12**
V	**Profit Before Tax and Share of profit/(loss) from Joint Venture (III-IV)**		**22,161.38**	**11,094.90**
VI	**Tax Expense:**			
	(a) Current Tax	33	5,709.46	3,035.26
	(b) Deferred Tax	33	(175.55)	(276.93)
VII	**Profit for the year before Share of profit/(loss) from Joint Venture (V-VI)**		**16,627.47**	**8,336.57**
VIII	**Share of profit / (loss) from Joint Venture (Net)**	37 (ii)	**37.76**	**(241.94)**
IX	**Other Comprehensive Income/(Loss)**			
	(i) Items that will not be reclassified to profit or loss			
	- Remeasurement gains / (loss) of Defined benefit plans		(171.30)	12.32
	- Income tax expenses relating to items that will be reclassified to profit or loss		43.12	(3.10)
	(ii) Items that will be reclassified to profit or loss			
	- Exchange difference arising on translation of foreign subsidiary		10.60	0.75
	- Income tax expenses relating to items that will be reclassified to profit or loss		(1.67)	(0.19)
	Total Other Comprehensive Income/(Loss) for the year (IX(i) + IX(ii))		**(119.25)**	**9.78**
X	**Total Comprehensive Income for the year (VII+VIII+IX)**		**16,545.98**	**8,104.41**
	Profit for the year attributable to:			
	- Owners of the Holding Company		16,665.23	8,152.65
	- Non-controlling Interest		-	(58.02)
	Other comprehensive income for the year attributable to:			
	- Owners of the Holding Company		(119.25)	9.78
	- Non-controlling Interest		-	-
	Total comprehensive income for the year attributable to:			
	- Owners of the Holding Company		16,545.98	8,162.43
	- Non-controlling Interest		-	(58.02)
XI	**Earnings per equity share:**			
	Basic and Diluted (Face value ₹10 per equity share)	31	46.29	22.65

The Notes on Account form Integral part of the Financial Statements 1 to 50 (As per our report of even date)

For Kantilal Patel & Co
Chartered Accountants
ICAI Firm Reg. No. : 104744W

For Riddhi P. Sheth & Co.
Chartered Accountants
ICAI Firm Reg. No. : 140190W

For and on behalf of the Board of Directors

Jinal A. Patel
Partner
Membership No. : 153599

Riddhi P. Sheth
Proprietor
Membership No. : 159123

Prahaladbhai S. Patel
Chairman, Managing Director and CEO
(DIN: 00037633)

Pooja P. Patel
Whole Time Director
(DIN: 07168083)

Hetal Patel
Chief Financial Officer

Kenan Patel
Company Secretary
Membership No.: ACS 39981

Place: Ahmedabad
Date : May 27, 2022

Place: Ahmedabad
Date : May 27, 2022

Statement of Consolidated Cash Flows for the year ended March 31, 2022

(₹ in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	22,199.14	10,852.96
Adjustments for :		
Finance costs	920.02	841.58
Depreciation and amortisation expense	3,205.28	2,563.76
Expected credit loss allowance	322.76	34.14
Bad debts	-	246.18
Dividend income	(3.16)	-
Interest Income	(2,057.37)	(1,620.04)
Loss / (Gain) on sale of Property, Plant and Equipment (Net)	7.94	28.70
Operating Profit before working capital changes	**24,594.61**	**12,947.28**
Movements in working capital:		
(Increase) / Decrease in Inventories	736.08	762.44
(Increase) / Decrease in trade receivable	(8,769.73)	583.45
(Increase) / Decrease in other assets	(1,472.32)	2,122.56
Increase / (Decrease) in trade payables	(5,687.98)	3,615.42
Increase / (Decrease) in other liabilities	11,869.01	(10,391.03)
Increase / (Decrease) in provisions	(184.03)	39.58
Cash generated from operations:	**21,085.64**	**9,679.70**
Direct taxes paid (net)	(6,358.44)	(2,332.76)
Net cash generated/(used) from operating activities (A)	**14,727.20**	**7,346.94**
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for Property, Plant and Equipment (PPE), Intangible assets and Capital Work-in-Progress	(7,659.57)	(7,926.77)
Proceeds from sale of Property, Plant and Equipment (PPE)	130.63	9.01
(Purchase) / Proceeds of term deposits (Net)	(10,945.70)	6,819.50
Purchase of shares of subsidiary / Section 8 company	-	(2.30)
Dividend received	3.16	-
Interest received	2,057.37	1,620.04
Net cash generated/(used) in Investing activities (B)	**(16,414.11)**	**519.48**
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from / (Repayment) of non-current borrowings	2,080.83	629.18
Proceeds from / (Repayment) of current borrowings	(501.88)	(225.99)
Dividend paid	(1,440.00)	-
Interest paid	(1,212.24)	(841.58)
Net cash generated/(used) in Financing activities (C)	**(1,073.29)**	**(438.39)**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS [(A) + (B) + (C)]	**(2,760.20)**	**7,428.03**
Add: Cash and Cash Equivalents as at beginning of the year	**11,560.36**	**4,132.33**
Cash and Cash Equivalents as at the end of the year	**8,800.16**	**11,560.36**

Statement of Consolidated Cash Flows for the year ended March 31, 2022

Note to Cash Flow Statement:

1 The above Statement of Cash Flows has been prepared under the 'Indirect method' as set out in the Ind AS - 7 Statement of Cash Flows.

2 The Group has total sanctioned limit (Fund and Non-fund based) of ₹ 1,04,700 Lakhs (P.Y. ₹ 1,04,700 Lakhs) with banks, Out of which ₹ 54,910.67 Lakhs (P.Y. ₹ 43,098.31 Lakhs) has been utilised.

3 Cash And Cash Equivalents comprises of: (₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Cash on hand	29.05	27.45
Balances with banks		
In current accounts	1,188.39	38.21
In cash credit accounts (debit balance)	768.24	7,445.14
In deposit accounts (Maturity less than 3 months)	6,814.48	4,049.56
Cash and Cash Equivalents as per Note No. 13	**8,800.16**	**11,560.36**

4 **Disclosure as required by Ind AS 7**

Reconciliation of liabilities arising from financing activities

As at March 31, 2022 (₹ in Lakhs)

Particulars	Opening Balance	Cash Flows	Non Cash Changes	Closing Balance
Non-current Borrowings	1,291.41	2,080.83	-	3,372.24
Current Borrowings	7,095.34	(501.88)	-	6,593.45
Total liabilities from financing activities	**8,386.75**	**1,578.95**	**-**	**9,965.69**

As at March 31, 2021 (₹ in Lakhs)

Particulars	Opening Balance	Cash Flows	Non Cash Changes	Closing Balance
Non-current Borrowings	662.23	629.18	-	1,291.41
Current Borrowings	7,321.33	(225.99)	-	7,095.34
Total liabilities from financing activities	**7,983.56**	**403.19**	**-**	**8,386.75**

The Notes on Account form Integral part of the Financial Statements 1 to 50 (As per our report of even date)

For Kantilal Patel & Co
Chartered Accountants
ICAI Firm Reg. No. : 104744W

For Riddhi P. Sheth & Co.
Chartered Accountants
ICAI Firm Reg. No. : 140190W

For and on behalf of the Board of Directors

Jinal A. Patel
Partner
Membership No. : 153599

Riddhi P. Sheth
Proprietor
Membership No. : 159123

Prahaladbhai S. Patel
Chairman, Managing Director and CEO
(DIN: 00037633)

Pooja P. Patel
Whole Time Director
(DIN: 07168083)

Hetal Patel
Chief Financial Officer

Kenan Patel
Company Secretary
Membership No.: ACS 39981

Place: Ahmedabad
Date : May 27, 2022

Place: Ahmedabad
Date : May 27, 2022

Consolidated Statement of Changes in Equity for the year ended March 31, 2022

a. Equity Share Capital:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	3,600.00	3,600.00
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the year	**3,600.00**	**3,600.00**
Changes in equity share capital during the year	-	-
Balance at the end of the year	**3,600.00**	**3,600.00**

b. Other Equity:

(₹ in Lakhs)

Particulars	Reserves and Surplus			Foreign Currency Translation Reserve	Total attributable to owners of the Holding Company	Non-controlling interests	Total
	General Reserve	Securities Premium	Retained Earnings				
Balance as at March 31, 2020	936.10	13,488.68	27,402.87	(9.49)	41,818.16	68.68	41,886.84
Changes in Other equity due to prior period errors	-	-	-	-	-	-	-
Restated Balance as at March 31, 2020 (A)	936.10	13,488.68	27,402.87	(9.49)	41,818.16	68.68	41,886.84
Additions during the year:							
Profit for the year	-	-	8,152.65	0.56	8,153.21	(58.02)	8,095.19
Remeasurement benefits of defined benefit plans (Net of Tax)	-	-	9.22	-	9.22	-	9.22
Acquisition of Non-controlling interest	-	-	(1.30)	-	(1.30)	-	(1.30)
Share of Non-controlling Interest	-	-	10.66	-	10.66	(10.66)	-
Total Comprehensive Income for the year 2020-21 (B)	-	-	8,171.23	0.56	8,171.79	(68.68)	8,103.11
Reductions during the year:							
Dividends	-	-	-	-	-	-	-
Income Tax on Dividend	-	-	-	-	-	-	-
Total (C)	-	-	-	-	-	-	-
Balance as at March 31, 2021 (D) = (A) + (B) - (C)	936.10	13,488.68	35,574.10	(8.93)	49,989.95	-	49,989.95
Changes in Other equity due to prior period errors	-	-	-	-	-	-	-
Restated Balance as at March 31, 2021 (E)	936.10	13,488.68	35,574.10	(8.93)	49,989.95	-	49,989.95
Additions during the year:							
Profit for the year	-	-	16,665.23	8.93	16,674.16	-	16,674.16
Remeasurement benefits of defined benefit plans (Net of Tax)	-	-	(128.18)	-	(128.18)	-	(128.18)
Total Comprehensive Income for the year 2021-22 (F)	-	-	16,537.05	8.93	16,545.98	-	16,545.98
Reductions during the year:							
Dividends	-	-	1,440.00	-	1,440.00	-	1,440.00
Total (G)	-	-	1,440.00	-	1,440.00	-	1,440.00
Balance as at March 31, 2022 (H) = (E) + (F) - (G)	936.10	13,488.68	50,671.15	-	65,095.93	-	65,095.93

The Notes on Account form Integral part of the Financial Statements 1 to 50 (As per our report of even date)

For Kantilal Patel & Co
Chartered Accountants
ICAI Firm Reg. No. : 104744W

For Riddhi P. Sheth & Co.
Chartered Accountants
ICAI Firm Reg. No. : 140190W

For and on behalf of the Board of Directors

Jinal A. Patel
Partner
Membership No. : 153599

Riddhi P. Sheth
Proprietor
Membership No. : 159123

Prahaladbhai S. Patel
Chairman, Managing Director and CEO
(DIN: 00037633)

Pooja P. Patel
Whole Time Director
(DIN: 07168083)

Hetal Patel
Chief Financial Officer

Kenan Patel
Company Secretary
Membership No.: ACS 39981

Place: Ahmedabad
Date : May 27, 2022

Place: Ahmedabad
Date : May 27, 2022

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

1. Group's Overview:

The consolidated financial statements comprise financial statements of PSP Projects Limited (the Holding Company), its subsidiaries and joint ventures (collectively, the Group) for the year ended March 31, 2022. The Holding Company is a public limited company domiciled in India and has its registered office in Ahmedabad, Gujarat, India. The company has been incorporated under the provisions of Companies Act, applicable in India. The shares of the Holding Company are listed on National Stock Exchange of India Ltd. and Bombay Stock Exchange Ltd with effect from May 29, 2017.

The Group offers construction services across industrial, institutional, residential, social infrastructure and commercial projects in India and USA.

2. Significant Accounting Policies, Key Accounting Estimates and Judgement:

2.1 Basis of preparation of financial statements:

These financial statements are the consolidated financial statements of the Group prepared in accordance with Indian Accounting Standards ('Ind AS') as notified under Section 133 of the Companies Act, 2013 ('The Act'), read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (IND AS compliant Schedule III), as applicable to the consolidated financial statement.

These consolidated financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these consolidated financial statements.

2.2 Functional and presentation currency:

These consolidated financial statements are presented in Indian Rupees (INR), which is also the Group's major functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise stated.

2.3 Principles of consolidation:

The consolidated financial statements comprise the financial statements of the Companies, its subsidiaries and its joint ventures as at March 31, 2022. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the holding company, when the end of the reporting period of the holding company is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the holding company to enable the holding company to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

2.4 Consolidation procedure:

a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the holding company with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

b) Offset (eliminate) the carrying amount of the holding company's investment in each subsidiary and the holding company's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions."

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the holding of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss

2.5 Key accounting estimates and judgements:

The preparation of the Group's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Critical accounting 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:

a) Property, Plant and Equipment:

Property, Plant and Equipment represent a significant proportion of the asset base of the Group.

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful lives specified in schedule II to the Companies Act, 2013, or in the case of assets where the useful life was determined by technical evaluation, over the useful life so determined.

The Useful lives are determined at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset. Refer Note 2.7, 3 and 29 for further disclosure.

b) **Provision for income tax and deferred tax assets:**

The Group uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Accordingly, the Group exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period. Refer Note 9 and 33 for further disclosure.

c) **Defined Benefit Obligation:**

The costs of providing post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. All assumptions are reviewed at each reporting date. Refer Note 2.18 and 32 for further disclosure.

d) **Fair value measurement of Financial Instruments:**

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 model, which involve various judgements and assumptions. Judgements 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. Refer Note 2.16 and 34 for further disclosure.

e) **Revenue recognition over time in Construction Contracts:**

The group recognises revenue from contracts with customers over time i.e. on the basis of stage of completion based on the proportion of contract costs incurred at balance sheet date, relative to the total estimated costs of the contract at completion. The recognition of revenue and profit/loss therefore rely on estimates in relation to total estimated costs of each contract. Cost contingencies are included in these estimates to take into account specific uncertain risks, or disputed claims against the Group, arising within each contract. These contingencies are reviewed by the Management on a regular basis throughout the contract life and adjusted where appropriate. Refer Note 2.17, 22 and 39 for further disclosure.

f) **Provisions and contingencies:**

The group estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates. The timing of recognition requires application of judgement to existing facts and circumstances which may be subject to change. Refer Note 2.20 for further disclosure.

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised. Contingent assets are neither recognised nor disclosed in the financial statements. Refer Note 2.20 and 38 for further disclosure.

2.6 Current / Non-Current Classification:

Any asset or liability is classified as current if it satisfies any of the following conditions:

i. the asset/liability is expected to be realised/settled in the Group's normal operating cycle;

ii. the asset is intended for sale or consumption;

iii. the asset/liability is expected to be realised/settled within twelve months after the reporting period;

iv. the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;

v. In the case of a liability, the Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

For the purpose of current/non-current classification of assets and liabilities, the Group has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

2.7 Property, Plant and Equipment:

a) Measurement at recognition:

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

b) Depreciation:

Depreciation on each part of an item of property, plant and equipment is provided using the Written down Value (WDV) Method based on the useful life of the asset.

Useful life and residual value prescribed in Schedule II of the Companies Act, 2013 are considered except in the following cases where useful life is supported by the technical evaluation considering business specific usage, the consumption pattern of the assets and the past performance of similar assets:

Particulars	Useful Life in years
Steel Shuttering Materials included in Plant and Machinery	5 to 10 years

The useful lives, residual values of each part of an item of property, plant and equipment and the depreciation methods are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

c) Derecognition:

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in the Statement of Profit and Loss when the item is derecognised.

2.8 Intangible Assets:

a) Measurement at recognition:

Intangible assets i.e. Software acquired separately are measured on initial recognition at cost. Subsequently, intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any.

b) Amortization:

Intangible Assets are amortised on a Straight-Line basis over the estimated useful economic life. The amortization expense on intangible assets is recognised in the Statement of Profit and Loss. The estimated useful life of software is considered 6 years.

The amortization period and the amortization method for an intangible asset is reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

c) Derecognition:

The carrying amount of an intangible asset is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognised in the Statement of Profit and Loss when the asset is derecognised.

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

2.9 Borrowing Costs:

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

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 capitalised, if any. All other borrowing costs are expensed in the period in which they occur.

2.10 Impairment of non-financial assets:

Assets that are subject to depreciation and amortization and assets representing investments in Joint Venture are reviewed for impairment, whenever events or changes in circumstances indicate that carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.

The Group assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called cash generating units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

2.11 Investment in Joint Venture:

Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The Group's investment in its jointly controlled entity is accounted for using the equity method. Under the equity method, the investment in a jointly controlled entity is initially recognised at cost.

The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture since the acquisition date. The statement of profit and loss reflects the Group's share of the results of operations of the jointly controlled entity. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the jointly controlled entity, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the jointly controlled entity are eliminated to the extent of the interest in the jointly controlled entity.

If an entity's share of losses of a joint venture equals or exceeds its interest in the joint venture (which includes any long term interest that, in substance, form part of the Group's net investment in the joint venture), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture.

If the joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised. The aggregate of the Group's share of profit or loss of a jointly controlled entity is shown on the face of the statement of profit and loss. The financial statements of the jointly controlled entity is prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its jointly controlled entity. At each reporting date, the Group determines whether there is objective evidence that the investment in the jointly controlled entity is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the jointly controlled entity and its carrying value, and then recognises the loss as 'Share of profit of a jointly controlled entity' in the statement of profit or loss.

Upon loss of significant influence over the joint control over the jointly controlled entity, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the jointly controlled entities upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

2.12 Inventory:

a) Construction Materials:

Construction materials are valued at lower of cost or net realizable value, on the basis of weighted average method after providing for obsolescence and other losses, where considered necessary. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

b) Work in Progress:

Work-in-progress represents cost incurred directly in respect of construction activity and indirect construction cost to the extent to which the expenditure is related to the construction or incidental thereto is valued at lower of cost or net realizable value.

c) Wooden Shuttering material:

Wooden shuttering materials included in the work-in-progress are valued at cost less charged off to statement of Profit and Loss based on their usages for the construction activity.

d) Finished goods and Stock-in-trade:

Finished goods and stock-in-trade (in respect of goods acquired for trading) are valued at lower of weighted average cost or net realizable value. Cost includes cost of purchase, costs of conversion, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.

2.13 Site establishment Cost :

Site establishment cost incurred at the initial stage of the project execution are amortised over the tenure of respective project. Unamortised site establishment cost is disclosed under other current assets.

2.14 Financial Instrument:

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

Financial Assets:

a) Initial recognition and measurement:

All financial assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

b) Subsequent measurement:

i. Financial assets measured at amortised cost:

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii. Financial assets measured at fair value through other comprehensive income (FVTOCI):

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iii. Financial assets measured at fair value through profit and loss (FVTPL):

A financial asset which is not classified in any of the above categories are measured at FVTPL.

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

c) **Impairment of financial assets:**

In accordance with Ind AS 109, the Group uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

1. The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

2. Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables Group applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Group uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward-looking estimates are analysed.

For other assets, the Group uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

Financial Liabilities

a) **Initial recognition and measurement:**

All financial liabilities are recognised at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

b) **Subsequent measurement:**

Financial liabilities are carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition of financial instruments

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the Group's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

2.15 Foreign Currency Transaction and Translation:

a) **Initial Recognition:**

On initial recognition, transactions in foreign currencies entered into by the Group are recorded in the functional currency (i.e. Indian Rupees), by applying to the foreign currency amount, the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the Statement of Profit and Loss.

b) **Measurement of foreign currency items at reporting date:**

Foreign currency monetary items of the Group are translated at the closing exchange rates. Non-monetary items that are measured at historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency, are translated using the exchange rates at the date when the fair value is measured.

Exchange differences arising out of these translations are recognised in the Statement of Profit and Loss.

c) **Translation of financial statements of foreign entity:**

On consolidation, the assets and liabilities of foreign operations are translated into INR (Indian Rupees) at the exchange rate prevailing at the reporting date and their statements of profit and loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in Foreign Currency Translation Reserve of Consolidated OCI. On disposal of a foreign operation, this component of OCI relating to that particular foreign operation is reclassified to Consolidated Statement of Profit and Loss.

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

2.16 **Fair Value:**

The Group measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy that categorises into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

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

Level 2 — inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 — inputs that are unobservable for the asset or liability

Assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

2.17 **Revenue Recognition:**

Revenue from Contracts with Customers:

The Group recognises revenue from contracts with customers when it satisfies a performance obligation by transferring promised goods or service to a customer. The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Performance obligation is satisfied over time when the transfer of control of good or service to a customer is done over time and in other cases, performance obligation is satisfied at a point in time. For performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

For contracts where the aggregate of contract cost incurred to date plus recognised profits (or minus recognised losses as the case may be) exceeds the progress billing, the surplus is shown as contract asset and termed as "Due from customers". For contracts where progress billing exceeds the aggregate of contract costs incurred to-date plus recognised profits (or minus recognised losses, as the case may be), the surplus is shown as contract liability and termed as "Due to customers". Amounts received before the related work is performed are disclosed in the Balance Sheet as contract liability and termed as "Advances from customer". The amounts billed on customer for work performed and are unconditionally due for payment i.e only passage of time is required before payment falls due, are disclosed in the Balance Sheet as trade receivables. The amount of retention money held by the customers pending completion of performance milestone is disclosed as part of contract asset and is reclassified as trade receivables when it becomes due for payment.

Transaction price is the amount of consideration to which the Group expects it to be entitled in exchange for transferring goods or services to a customer excluding amounts collected on behalf of a third party. Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance. Payment terms agreed with a customer are as per business practice and the financing component, if significant, is separated from the transaction price and accounted as interest income.

Costs to obtain a contract which are incurred regardless of whether the contract was obtained are charged-off in profit and loss immediately in the period in which such costs are incurred. Incremental costs of obtaining a contract, if any, and costs incurred to fulfil a contract are amortised over the period of execution of the contract in proportion to the progress measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract cost incurred that are likely to be recoverable. An expected loss on the contract is recognised as an expense immediately.

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

The differences between the timing of our revenue recognised (based on costs incurred) and customer billings (based on contractual terms) results in changes to revenue in excess of billing or billing in excess of revenue.

Cost incurred towards future contract activity is classified as project work in progress.

Sale of goods:
Revenue from sale of goods is recognised when the control of the same is transferred to the customer and it is probable that the Group will collect the consideration to which it is entitled for the exchanged goods.

Performance obligations in respect of contracts for sale of manufactured and traded goods is considered as satisfied at a point in time when the control of the same is transferred to the customer and where there is an alternative use of the asset or the group does not have either explicit or implicit right of payment for performance completed till date.

Interest and dividend:
Interest income is accrued on a time basis by reference to the principal outstanding using effective interest rate method. Dividend income is recognised when the right to receive payment is established.

2.18 Employee Benefits:

a) **Short Term Employee Benefits:**
The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

b) **Post-Employment Benefits:**

I. **Defined Contribution plans**:
A defined contribution plan is a post-employment benefit plan under which the Group pays specified contributions to separate entities. The Group makes specified monthly contributions towards Provident Fund, State Insurance and Pension Scheme. The Group's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

II. **Defined Benefit plans:**
The Group pays gratuity to the employees whoever has completed five years of service with the Group at the time of resignation/superannuation. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act 1972.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services. Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income. Such re-measurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

c) **Other long term employee benefits**
All other long term employee benefit which do not fall due wholly within twelve months after the end of the period in which the employee render the related services are determined based on actuarial valuation or discounted present value method carried out at each balance sheet date. The expected cost of accumulating compensated absence is determined by actuarial valuation performed by an independent actuary as at 31 March every year using projected unit credit method on additional amount expected to be paid/availed as a result of unutilised entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absence is recognised in the period in which the absences occur.

2.19 Income Taxes:
The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

a) **Current tax:**
Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Consolidated Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible in accordance with applicable tax laws. Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

b) **Deferred tax:**

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

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period

c) **Presentation of current and deferred tax:**

Current and deferred tax are recognised as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognised in Other Comprehensive Income, in which case, the current and deferred tax income/ expense are recognised in Other Comprehensive Income.

The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Group has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Group.

2.20 Provision and Contingencies:

The Group recognises provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

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

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

2.21 Lease Accounting:

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Group's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Group has concluded that no changes are required to lease period relating to the existing lease contracts.

2.22 Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Group. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Group. The group's chief operating decision maker is the Chairman, Managing Director and Chief Executive Officer.

2.23 Earnings per share:

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

2.24 Cash Flow Statement:

Cash Flow Statement is reported using the indirect method, whereby profit for the period is adjusted for the effects

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

of transactions of a non- cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

2.25 Cash and Cash Equivalents:

Cash and Cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the maturity is three months or less and other short term highly liquid investments.

2.26 Amendments to Schedule III of the Companies Act, 2013:

Ministry of Corporate Affairs (MCA) issued notifications dated March 24, 2021 to amend Schedule III of the Companies Act, 2013 to enhance the disclosures required to be made by the Group in its financial statements. These amendments are applicable to the Group for the financial year starting April 1, 2021 and applied to the consolidated financial statements:

a. Lease liabilities separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.

b. Certain additional disclosures in the consolidated Statement of Changes in Equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.

c. Additional disclosure for shareholding of promoters.

d. Additional disclosure for ageing schedule of trade receivables, trade payables, capital work-in-progress.

e. Specific disclosure such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in the name of the Holding Company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties etc.

f. Additional disclosures relating to Corporate Social Responsibility (CSR) and undisclosed income.

2.27 Recent new Accounting Pronouncements:

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2022 dated March 23, 2022 to amend the following IND AS which are effective from April 01, 2022.

(a) Onerous Contracts – Costs of Fulfilling a Contract – Amendments to Ind AS 37

The amendments to Ind AS 37 specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a "directly related cost approach". The costs that relate directly to a contract to provide goods or services include both incremental costs for example direct labour and materials and an allocation of other costs directly related to contract activities for example an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling that contract. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

(b) Reference to the Conceptual Framework –Amendments to Ind AS 103

The amendments replaced the reference to the ICAI's "Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards" with the reference to the "Conceptual Framework for Financial Reporting under Indian Accounting Standard" without significantly changing its requirements.

The amendments also added an exception to the recognition principle of Ind AS 103 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets or Appendix C, Levies, of Ind AS 37, if incurred separately.

It has also been clarified that the existing guidance in Ind AS 103 for contingent assets would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards.

(c) Property, Plant and Equipment: Proceeds before Intended Use – Amendments to Ind AS 16

The amendments modified paragraph 17(e) of Ind AS 16 to clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

(d) **Ind AS 109 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities**

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

(e) **Ind AS 116 – Annual Improvements to Ind AS (2021)**

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration.

The amendments are effective for annual reporting periods beginning on or after April 01, 2022. The Group has evaluated the amendments and the impact is not expected to be material.

2.28 **Events after reporting date:**

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

3 Property, Plant and Equipment

(₹ in Lakhs)

Particulars	Freehold Land	Buildings	Furniture & Fixture	Plant & Equipment	Office Equipments	Computers	Vehicles	Total
Gross Carrying amount								
As at March 31, 2020	**1,006.05**	**896.44**	**259.08**	**14,102.99**	**194.47**	**336.23**	**2,884.39**	**19,679.65**
Additions	2,004.48	-	1.00	1,123.03	18.11	42.83	221.32	3,410.77
Deductions / Disposals	-	-	51.43	242.04	7.07	35.65	29.01	365.20
As at March 31, 2021	**3,010.53**	**896.44**	**208.65**	**14,983.98**	**205.51**	**343.41**	**3,076.70**	**22,725.22**
Additions	-	5,620.51	126.27	6,184.62	27.71	72.54	378.89	12,410.54
Deductions / Disposals	-	45.00	-	716.09	1.95	31.99	81.70	876.73
As at March 31, 2022	**3,010.53**	**6,471.95**	**334.92**	**20,452.51**	**231.26**	**383.97**	**3,373.88**	**34,259.02**
Accumulated depreciation								
As at March 31, 2020	**-**	**195.85**	**147.26**	**6,809.73**	**134.24**	**165.51**	**1,581.72**	**9,034.31**
Depreciation for the year	-	67.09	29.00	1,913.69	30.48	88.39	400.27	2,528.92
Deductions / Disposals	-	-	48.74	217.71	6.54	33.87	25.49	332.35
As at March 31, 2021	**-**	**262.94**	**127.52**	**8,505.71**	**158.18**	**220.03**	**1,956.50**	**11,230.88**
Depreciation for the year	-	266.67	35.11	2,408.84	24.94	75.30	357.94	3,168.80
Deductions / Disposals	-	22.62	-	613.53	1.48	29.90	74.94	742.47
As at March 31, 2022	**-**	**506.99**	**162.63**	**10,301.02**	**181.65**	**265.43**	**2,239.48**	**13,657.20**
Net carrying amount								
As at March 31, 2022	**3,010.53**	**5,964.96**	**172.29**	**10,151.49**	**49.61**	**118.54**	**1,134.40**	**20,601.82**
As at March 31, 2021	**3,010.53**	**633.50**	**81.13**	**6,478.27**	**47.33**	**123.38**	**1,120.20**	**11,494.34**
As at March 31, 2020	**1,006.05**	**700.59**	**111.82**	**7,293.26**	**60.23**	**170.72**	**1,302.67**	**10,645.34**

Notes:

(i) Refer to Note 16 for information on property, plant and equipment pledged as security by the Group.

(ii) For Capital Commitments, Refer Note 38 (ii).

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

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

4 Capital Work In Progress (CWIP)

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening CWIP	4,164.72	-
Additions	6,102.46	4,164.72
Capitalised during the year	(10,267.18)	-
Total	**-**	**4,164.72**

4(a) Capital work in progress ageing as at March 31, 2022

All CWIP during the year has been capitalised to respective head of assets and CWIP balance as on March 31, 2022 ₹ Nil.

4(b) Capital work in progress ageing as at March 31, 2021

(₹ in Lakhs)

Particulars	0-1 Year	1-2 Years	2-3 Years	Above 3 Year	Total
(a) Projects in progress	4,164.72	-	-	-	4,164.72
(b) Projects temporarily suspended	-	-	-	-	-
Total	**4164.72**	**-**	**-**	**-**	**4164.72**

5 Intangible assets

(₹ in Lakhs)

Particulars	Computer Software	Total
Gross Carrying amount		
As at March 31, 2020	**299.65**	**299.65**
Additions	20.38	20.38
Deductions	97.06	97.06
As at March 31, 2021	**222.97**	**222.97**
Additions	51.76	51.76
Deductions	9.92	9.92
As at March 31, 2022	**264.81**	**264.81**
Accumulated amortisation		
As at March 31, 2020	**155.99**	**155.99**
Amortisation for the year	34.84	34.84
Deductions	92.20	92.20
As at March 31, 2021	**98.63**	**98.63**
Amortisation for the year	36.48	36.48
Deductions	5.61	5.61
As at March 31, 2022	**129.50**	**129.50**
Net carrying amount		
As at March 31, 2022	**135.31**	**135.31**
As at March 31, 2021	**124.34**	**124.34**
As at March 31, 2020	**143.66**	**143.66**

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

6 Investments

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non Current		
Investment in Equity Instruments / Capital of Partnership Firm		
Unquoted		
(i) Subsidiaries (Measured at Cost, Refer Note No. 34)		
(a) PSP Foundation*	1.00	1.00
10,000 (Previous Year : 10,000) Equity Shares of Face Value ₹ 10 Each (Previous Year: ₹ 10) (Refer Note No.37)		
(ii) Joint Venture (Measured at Cost, Refer Note No. 34)		
(a) M/s. GDCL and PSP Joint Venture (Refer Note No. 6.1)	44.59	44.59
(Share of profit of Ganon Dunkerley and Company Limited and PSP Projects Limited in the entity is 51:49) (Refer Note No.37)		
(iii) Others (Measured at Cost, Refer Note No. 34)		
(a) The Kalupur Commercial Co-Operative Bank Limited	21.09	21.09
84,350 (Previous Year : 84,350) Equity Shares of Face Value ₹ 25 Each		
Total Non Current Investments	**66.68**	**66.68**
Aggregate Carrying Value of unquoted investment	**66.68**	**66.68**

*PSP Foundation is incorporated as a wholly owned subsidiary of the holding company on February 26, 2021. It is incorporated as a 'Not for Profit' company limited by shares under Section 8 of the Companies Act, 2013 to promote and support CSR activities.

This company is prohibited to give any right over their profits to its members. In view of restrictions on Section 8 companies, the Holding Company's share in PSP Foundation has not been considered in consolidated financial statement.

6.1 Investment in M/s. GDCL and PSP Joint Venture:

(₹ in Lakhs)

Name of the Partners	Capital of the firm	Share of Partner
Ganon Dunkerley and Company Limited	46.41	51.00%
PSP Projects Limited*	44.59	49.00%
Total	**91.00**	**100.00%**

*Capital of the firm and Share of Partner during the 2021-22 was same as compared to 2020-21.

6.2 Disclosures pursuant to Ind AS 112 "Disclosure of Interest in other entities":- Joint Venture and Associates

Financial Information in respect of Individually not material joint ventures/associates Investment in M/s. GDCL and PSP Joint Venture:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Aggregate carrying amount of investment in Individually not material joint ventures/associates	44.59	44.59
Aggregate amounts of the Group's share of Profit/(loss) for the year	33.51	(46.28)
Other comprehensive income for the year	-	-
Total comprehensive income/(loss) for the year	**33.51**	**(46.28)**

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

7 Loans

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non Current		
Loan to related parties (Refer Note No. 37)	-	2,472.98
Total	**-**	**2,472.98**
Current		
Loan to related parties (Unsecured, considered good) (Refer Note No. 37)	573.54	540.03
Loans and advances to employees (Unsecured, considered good)	19.71	14.47
Total	**593.25**	**554.50**

Break up of security details

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non Current		
Loan Receivables considered good- Secured	-	-
Loan Receivables considered good- Unsecured	-	2,472.98
Loan Receivables which have significant increase in Credit Risk	-	-
Loan Receivables impaired	-	-
Total	**-**	**2,472.98**
Current		
Loan Receivables considered good- Secured	-	-
Loan Receivables considered good- Unsecured	593.25	554.50
Loan Receivables which have significant increase in Credit Risk	-	-
Loan Receivables impaired	-	-
Total	**593.25**	**554.50**

Note: Disclosures required by Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186 (4) of Companies Act, 2013 as per the standalone financial statement:

(A) Amount of loans/ advances in the nature of loans outstanding repayable as per below terms with Joint Venture

(₹ in Lakhs)

Particulars	Interest Rate	Purpose for which the loan is proposed to be utilised by the recipient	Outstanding as at March 31,2022	% to the total loans and advances as at March 31, 2022	Outstanding as at March 31,2021	% to the total loans and advances as at March 31, 2021	Maximum amount outstanding during the year	
							March 31,2022	March 31,2021
Current								
Joint Venture								
M/s. GDCL and PSP Joint Venture (Unsecured-considered good)	12.00%	Working captial	573.54	100.0%	540.03	17.92%	573.54	965.27
M/s. PSP Fremont LLC (Unsecured-considered good)	7.00%	Working captial	-	0.0%	2,472.98	82.08%	3,153.11	2,472.98

(B) The Holding Company has given bank gurantees of ₹ 196.87 Lakhs (March 31, 2021 ₹ 196.87 Lakhs) on behalf of M/s. GDCL and PSP Joint Venture for business purposes.

(C) The Holding Company has provided fixed deposit as security to avail Fixed Deposit Overdraft bank facilities by its subsidary PSP Projects & Proactive Constructions Private Limited to the extent of ₹ Nil (March 31, 2021 ₹ 338.40 Lakhs).

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

8 Other Financial Assets

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non Current		
Unsecured, considered good		
Security deposits	357.74	408.11
Other deposits	145.59	85.78
Deposits with Banks (Maturity more than 12 months)	14,230.04	2,776.23
Contract Assets		
Retention money receivable from customers	8,052.28	6,652.42
Total	**22,785.65**	**9,922.54**
Current		
Other deposits	116.52	326.97
Contract Assets		
Retention money receivable from customers	3,300.66	2,649.45
Amount due from customers (Unbilled Revenue)	9,922.25	7,722.15
Total	**13,339.43**	**10,698.57**

9 Deferred Tax Assets

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred Tax Asset	1,147.02	973.14
Total	**1,147.02**	**973.14**

Reconciliation of Deferred tax asset/(liabilities):

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance		
Non deductible expenses for tax purpose	94.50	68.41
Property, plant and equipment	678.26	510.59
Losses Brought Forward	126.53	43.36
Investments carried at FVTOCI	1.67	1.86
MAT Credit Entitlement	72.18	72.18
Total	**973.14**	**696.40**
Recognised in Profit or loss		
Non deductible expenses for tax purpose	79.32	26.09
Property, plant and equipment	85.48	167.67
Losses Brought Forward	10.75	83.17
Total	**175.55**	**276.93**
Recognised in Other comprehensive income		
Exchange difference arising on translation of foreign subsidiary	(1.67)	(0.19)
Total	**(1.67)**	**(0.19)**
Closing balance		
Non deductible expenses for tax purpose	173.82	94.50
Property, plant and equipment	763.74	678.26
Losses Brought Forward	137.28	126.53
Investments carried at FVTOCI	-	1.67
MAT Credit Entitlement	72.18	72.18
Total	**1,147.02**	**973.14**

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

10 Other assets

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Unsecured, considered good		
Capital advances	179.14	625.89
Prepaid expenses	12.49	20.83
Total	**191.63**	**646.72**
Current		
Unsecured, considered good		
Advances to vendors	7,470.60	1,627.16
Balance with government authorities	1,158.31	1,144.80
Site establishment cost	393.76	445.88
Prepaid expenses	232.78	318.85
Total	**9,255.45**	**3,536.69**

11 Inventories

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Construction materials	6,296.66	6,674.07
Work in progress	1,486.39	2,246.84
Finished goods	401.78	-
Total	**8,184.83**	**8,920.91**

(The cost of inventories recognised as an expense during the year is disclosed in Note No. 24 and 25)

12 Trade Receivables

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
From others- Unsecured	31,619.97	22,850.24
Total	**31,619.97**	**22,850.24**
Less: Expected credit loss allowance	(519.26)	(196.50)
Total	**31,100.71**	**22,653.74**

Break up of security details

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	31,466.91	22,697.18
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	153.06	153.06
Total	**31,619.97**	**22,850.24**
Less: Expected credit loss allowance	(519.26)	(196.50)
Total Trade Receivables	**31,100.71**	**22,653.74**

(i) General payment terms include mobilisation advance, monthly progress payments with a credit period ranging from 7 to 120 days and certain retention money to be released at the end of the project as per the relevant contract terms. In certain contracts, short term advances are received before the performance obligation is satisfied. In some cases, retentions are substituted with bank guarantees.

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

12 Trade Receivables *(contd...)*

(ii) Trade Receivable ageing:

As at March 31, 2022

(₹ in Lakhs)

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		0-6 Months	6-12 Months	1-2 Years	2-3 Years	Above 3 Year	
(i) Undisputed Trade Receivable-Considered Good	16,866.45	9,462.02	3,967.67	1,065.14	3.71	0.80	31,365.79
(ii) Undisputed Trade Receivable – Which have significant increase in Credit Risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivable – Credit Impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivable – Considered good	-	-	-	101.12	-	-	101.12
(v) Disputed Trade Receivable – Which have significant increase in Credit Risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivable – Credit Impaired	-	-	-	-	-	153.06	153.06
Grand Total	**16,866.45**	**9,462.02**	**3,967.67**	**1,166.26**	**3.71**	**153.86**	**31,619.97**
Less: Expected credit loss allowance							(519.26)
Total Trade Receivable							**31,100.71**

As at March 31, 2021

(₹ in Lakhs)

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		0-6 Months	6-12 Months	1-2 Years	2-3 Years	Above 3 Year	
(i) Undisputed Trade Receivable-Considered Good	11,251.06	9,584.99	1,384.66	16.00	455.89	-	22,692.60
(ii) Undisputed Trade Receivable – Which have significant increase in Credit Risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivable – Credit Impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivable – Considered good	-	-	-	4.58	-	-	4.58
(v) Disputed Trade Receivable – Which have significant increase in Credit Risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivable – Credit Impaired	-	-	-	-	39.21	113.85	153.06
Grand Total	**11,251.06**	**9,584.99**	**1,384.66**	**20.58**	**495.10**	**113.85**	**22,850.24**
Less: Expected credit loss allowance							(196.50)
Total Trade Receivable							**22,653.74**

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

12 Trade Receivables *(contd...)*

(iii) Movement in Expected Credit Loss Allowance

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Expected Credit Loss Allowance	**196.50**	**162.36**
Add: Additional provision made	322.76	34.14
Less: Reversal of provision	-	-
Closing Expected Credit Loss Allowance	**519.26**	**196.50**

13 Cash and Bank Balances

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Cash and Cash Equivalents		
Cash on Hand	29.05	27.45
Balances with banks		
In current accounts	1,188.39	38.21
In cash credit accounts (debit balance)	768.24	7,445.14
In deposit accounts (Refer Note No. 13.1 below)	31,876.79	18,166.17
Sub Total	**33,862.47**	**25,676.97**
Less: Fixed deposits having maturity more than 3 months and less than 12 months shown under other bank balances	10,832.27	11,340.38
Less: Fixed deposits having maturity more than 12 months shown under other financial assets (Refer Note No. 8)	14,230.04	2,776.23
Total	**8,800.16**	**11,560.36**
Other Bank Balances		
Unpaid dividend accounts*	2.16	1.96
In deposit accounts (Maturity more than 3 months and less than 12 months)	10,832.27	11,340.38
Total	**10,834.43**	**11,342.34**

* The Holding Company can utilise these balances only towards settlement of unclaimed dividend.

13.1 The details of Fixed deposits pledged with banks/clients as given below:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Fixed deposits pledged with banks as security against credit facilities	16,857.54	12,408.77
Fixed deposits pledged with bank as security against overdraft facility for subsidiary company	-	338.40
Fixed deposits pledged with clients as security	559.82	704.35
Total	**17,417.36**	**13,451.52**

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

14 Equity Share Capital

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised Equity Share Capital		
5,00,00,000 (previous year - 5,00,00,000) Equity Shares of ₹ 10 each	5,000.00	5,000.00
	5,000.00	**5,000.00**
Issued, Subscribed and Paid up capital		
3,60,00,000 (previous year - 3,60,00,000) Equity Shares of ₹ 10 each fully paid up	3,600.00	3,600.00
	3,600.00	**3,600.00**

(a) **Reconciliation of shares outstanding at the beginning and at the end of the year:**

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
At the beginning of the year	3,60,00,000	3,600.00	3,60,00,000	3,600.00
Add: Shares Issued during the year	-	-	-	-
At the end of the year	3,60,00,000	3,600.00	3,60,00,000	3,600.00

(b) **Terms and Rights attached to each class of shares;**

- The Holding Company has only one class of equity shares having par value of ₹ 10 per share.
- Each holder of equity shares is entitled to one vote per share.
- In the event of the liquidation of the Holding Company, the holders of equity shares will be entitled to receive remaining assets of the Holding Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) **Equity shares held by shareholders each holding more than 5 % of the shares**

Name of the Shareholders	As at March 31, 2022		As at March 31, 2021	
	No. of shares	%	No. of shares	%
Prahaladbhai S. Patel	1,86,39,308	51.78%	1,85,24,308	51.46%
Shilpaben P. Patel	36,34,000	10.09%	51,84,000	14.40%
Sagar P. Patel	20,00,000	5.56%	20,00,000	5.56%

(d) **Equity shares held by Promoters**

Name of the Shareholders	As at March 31, 2022		As at March 31, 2021		% Change during the year
	No. of shares	%	No. of shares	%	
Prahaladbhai S. Patel	1,86,39,308	51.78%	1,85,24,308	51.46%	0.32%
Shilpaben P. Patel	36,34,000	10.09%	51,84,000	14.40%	(4.31%)
Pooja P. Patel	10,00,000	2.78%	10,00,000	2.78%	0.00%
Sagar P. Patel	20,00,000	5.56%	20,00,000	5.56%	0.00%

Name of the Shareholders	As at March 31, 2021		As at March 31, 2020		% Change during the year
	No. of shares	%	No. of shares	%	
Prahaladbhai S. Patel	1,85,24,308	51.46%	1,83,90,914	51.09%	0.37%
Shilpaben P. Patel	51,84,000	14.40%	51,84,000	14.40%	0.00%
Pooja P. Patel	10,00,000	2.78%	10,00,000	2.78%	0.00%
Sagar P. Patel	20,00,000	5.56%	20,00,000	5.56%	0.00%

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

15 Other equity

(₹ in Lakhs)

Particulars	Reserves and Surplus			Items of Other comprehensive income (OCI)	Total attributable to owners of the Holding Company	Non-controlling interests	Total
	General Reserve	Securities Premium	Retained Earnings	Foreign Currency Translation Reserve			
Balance as at March 31, 2020 (A)	**936.10**	**13,488.68**	**27,402.87**	**(9.49)**	**41,818.16**	**68.68**	**41,886.84**
Additions during the year:							
Profit for the year	-	-	8,152.65	0.56	8,153.21	(58.02)	8,095.19
Remeasurement benefits of defined benefit plans (Net of Tax)	-	-	9.22	-	9.22	-	9.22
Acquisition of Non-controlling interest	-	-	(1.30)	-	(1.30)	-	(1.30)
Share of Non-controlling Interest	-	-	10.66	-	10.66	(10.66)	-
Total Comprehensive Income for the year 2020-21 (B)	**-**	**-**	**8,171.23**	**0.56**	**8,171.79**	**(68.68)**	**8,103.11**
Reductions during the year:							
Dividends	-	-	-	-	-	-	-
Income Tax on Dividend	-	-	-	-	-	-	-
Total (C)	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Balance as at March 31, 2021 (D) = (A) + (B) - (C)	**936.10**	**13,488.68**	**35,574.10**	**(8.93)**	**49,989.95**	**-**	**49,989.95**
Additions during the year:							
Profit for the year	-	-	16,665.23	8.93	16,674.16	-	16,674.16
Remeasurement benefits of defined benefit plans (Net of Tax)	-	-	(128.18)	-	(128.18)	-	(128.18)
Total Comprehensive Income for the year 2021-22 (E)	**-**	**-**	**16,537.05**	**8.93**	**16,545.98**	**-**	**16,545.98**
Reductions during the year:							
Dividends	-	-	1,440.00	-	1,440.00	-	1,440.00
Total (F)	**-**	**-**	**1,440.00**	**-**	**1,440.00**	**-**	**1,440.00**
Balance as at March 31, 2022 (G) = (D) + (E) - (F)	**936.10**	**13,488.68**	**50,671.15**	**-**	**65,095.93**	**-**	**65,095.93**

(₹ in Lakhs)

Distribution made and proposed	As at March 31, 2022	As at March 31, 2021
Cash Dividends on Equity Shares declared and paid:		
Final Dividend for the year ended March 31, 2021: ₹ 4.00 per share	1,440.00	-
(for the year ended March 31, 2020: ₹ Nil per share)		
	1,440.00	**-**
Proposed Dividend on Equity Shares:		
Final Dividend for the year ended March 31, 2022: ₹ 5.00 per share	1,800.00	1,440.00
(for the year ended March 31, 2021: ₹ 4.00 per share)		
	1,800.00	**1,440.00**

Nature and purpose of other reserves

General Reserve

General reserve is created from time to time by way of transfer profits from retained earning for appropriation purpose.

Securities premium

Securities premium reserve is used to record premium on issue of shares. This reserve is utilised as per the provisions of the Companies Act, 2013.

Debt Instruments through OCI

The Holding Company has elected to recognise changes in the fair value of certain investments in debt securities in other comprehensive income. These changes are accumulated within other equity. The transfer amounts from reserves to profit and loss when relevant debt securities are derecognised.

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

16 Borrowings

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non - Current		
Secured (At Amortised Cost)		
Term Loans		
From Banks	3,372.24	1,291.41
Less: Current Maturities of long term borrowings	(1,654.17)	(1,013.08)
Total	**1,718.07**	**278.33**
Current		
Current maturities of Non-current Borrowings	1,654.17	1,013.08
Secured (At Amortised Cost)		
Working Capital Loans		
From Banks	6,593.45	7,095.33
Total	**8,247.62**	**8,108.41**

Nature of Borrowing	Terms of Repayment	Interest Rate	Nature of Security
Non-current Borrowing			
Term loan for Plant, Machinery and Vehicles	Repayable in 24 to 60 equated monthly installments	6.65% to 9.50%	Assets acquired under term loan
Current Borrowing			
Working Capital Loans	Repayable on Demand	5.75% to 10.10%	Refer note below (i)

Note:

(i) Working Capital Loans are secured against Inventory, Book Debts, Plant and Machinery, land and Fixed Deposits held in the name of holding company.

(ii) All the above credit facilities are guaranteed by Mr. Prahaladbhai S. Patel, Mrs. Shilpaben P Patel, and Ms. Pooja P. Patel, and secured against collateral securities held in the name of holding company and Mr. Prahaladbhai S. Patel.

(iii) Funds raised on short term basis have not been utilised for long term purposes.

(iv) Borrowed funds were applied for the purpose for which the loans were obtained.

(v) Bank returns / stock statements filed by the Holding Company with its bankers or financial institutions are in agreement with books of account.

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

(vii) The Holding Company do not have any charges or satisfaction, which is yet to be registered with ROC beyond the statutory period.

17 Provisions

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non - Current		
Provision for employee benefits (Refer Note No. 32)	151.87	79.05
Total	**151.87**	**79.05**
Current		
Provision for employee benefits (Refer Note No. 32)	19.59	99.94
Provision for loss of Joint Venture (Refer Note. No. 37)	-	5.20
Total	**19.59**	**105.14**

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

18 Trade Payables

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Total outstanding dues of micro enterprises and small enterprises	1,284.52	1,014.65
Total outstanding dues of creditors other than micro enterprises and small enterprises		
Due to Related Parties (Refer Note No. 37)	166.06	170.28
Trade Payables-Others	24,369.44	24,479.63
Total	**25,820.02**	**25,664.56**

(i) **Trade Payables ageing:**

As at March 31, 2022

(₹ in Lakhs)

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		0-1 Year	1-2 Year	2-3 Year	More than 3 Years	
(i) Due to MSME	1,262.95	21.57	-	-	-	1284.52
(ii) Due to Other	20,536.47	3,484.36	198.15	38.28	128.99	24,386.25
(iii) Disputed dues-MSME	-	-	-	-	-	-
(iv) Disputed dues-Others (*)	-	-	-	78.92	70.33	149.25
Total	**21,799.42**	**3,505.93**	**198.15**	**117.20**	**199.32**	**25,820.02**

* The amounts pertains to commercial disputes.

As at March 31, 2021

(₹ in Lakhs)

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		0-1 Year	1-2 Year	2-3 Year	More than 3 Years	
(i) Due to MSME	961.46	53.19	-	-	-	1,014.65
(ii) Due to Other	15,835.04	8,197.43	168.16	274.71	95.30	24,570.64
(iii) Disputed dues-MSME	-	-	-	-	-	-
(iv) Disputed dues-Others (*)	-	-	-	56.28	22.99	79.27
Total	**16,796.50**	**8,250.62**	**168.16**	**330.99**	**118.29**	**25,664.56**

* The amounts pertains to commercial disputes.

19 Other Financial Liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Trade deposits	280.80	466.80
Payable for capital expenditure	141.82	242.78
Other Payables	2,766.89	1,113.88
Employee Dues	409.13	323.85
Unpaid dividend*	2.16	1.96
Total	**3,600.80**	**2,149.27**

*This figure does not include any amount due and outstanding, to be credited to Investor Education and Protection Fund.

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

20 Other Current Liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory Payables	1,934.72	1,224.51
Other current liabilities	934.02	-
Contract Liabilities		
Advance received from Customers	17.00	1,754.94
Amount due to customers	2,146.58	2,313.19
Mobilisation Advance received from Customers	13,749.42	3,172.38
Total	**18,781.74**	**8,465.02**

21 Current Tax Liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Current Tax Liabilities (Net)	0.73	692.84
Total	**0.73**	**692.84**

22 Revenue from Operations

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from Contracts with Customers	1,73,618.49	1,23,413.94
Other Operating Revenue	1,187.84	672.30
Total	**1,74,806.33**	**1,24,086.24**

23 Other Income

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
a) Interest Income		
On Fixed Deposits	1,146.50	1,248.50
On Investments	4.89	2.28
From Subsidiary and Joint Venture (Refer Note No. 37)	207.39	262.82
Others	698.59	106.44
	2,057.37	**1,620.04**
b) Dividend income	3.16	-
c) Other gains and losses		
Net Gain on Foreign Exchange Fluctuations	19.35	-
Net Gain on sale of Property, Plant and Equipment	74.74	-
Others	17.02	45.74
	111.11	**45.74**
Total (a+b+c)	**2,171.64**	**1,665.78**

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

24 Cost of Construction Material Consumed

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Opening Stock	6,674.07	7,673.03
Add: Purchases	49,161.67	38,814.33
	55,835.74	**46,487.36**
Less: Closing Stock	6,296.66	6,674.07
Total	**49,539.08**	**39,813.29**

25 Changes in inventories of Finished Goods and Work-In-Progress

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Inventories at the end of the year:		
Work In Progress	1,486.39	2,246.84
Finished Goods	401.78	-
	1,888.17	**2,246.84**
Inventories at the beginning of the year:		
Work In Progress	2,246.84	2,010.32
Finished Goods	-	-
	2,246.84	**2,010.32**
Net (increase) / decrease in Inventories	**358.67**	**(236.52)**

26 Construction Expenses

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Labour expenses	68,144.76	56,984.37
Sub-Contracting Expenses	13,997.68	3,488.99
Stores, spares and other consumables	460.78	341.42
Power and Fuel	2,472.30	1,458.10
Site Expenses	375.00	180.01
Machinery Rent	1,816.55	861.50
Insurance	314.86	264.67
Repairs and Maintenance:		
Machineries	94.19	27.55
Vehicles	18.87	18.11
Transportation expenses	986.57	352.58
Security Expenses	479.75	465.56
Total	**89,161.31**	**64,442.86**

27 Employee benefits expense

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salaries and Wages	4,986.47	3,742.21
Managerial Remuneration	1,681.00	694.38
Contributions to Provident Fund and Other Funds	287.11	207.08
Staff Welfare Expenses	279.34	446.04
Total	**7,233.92**	**5,089.71**

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

28 Finance costs

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest costs:		
(i) Interest on		
Term Loan	61.06	49.41
Working Capital Loan	858.96	792.17
(ii) Others	887.62	192.90
Bank Guarantee Charges	475.48	298.26
Other Borrowing costs	365.77	168.05
Total	**2,648.89**	**1,500.79**

29 Depreciation and Amortization Expense

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation expenses	3,168.80	2,528.92
Amortization expenses	36.48	34.84
Total	**3,205.28**	**2,563.76**

30 Other Expenses

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Rent	92.45	171.55
Rates and Taxes	21.86	14.84
Electricity expenses	18.09	18.32
Insurance	274.36	60.06
Repairs and Maintenance:		
Vehicle	67.22	60.31
Computers	109.94	81.36
Building	0.47	0.25
Printing and Stationery expenses	75.87	56.76
Communication expenses	28.43	28.56
Auditor's Remuneration	22.47	20.45
Legal and Professional expenses	147.40	155.84
Directors' Sitting Fees	3.75	2.10
Travelling and Conveyance	90.56	36.10
Advertisement expenses	18.49	17.79
Sponsorship Fees	17.50	1.12
Bad Debts written off	-	246.18
Allowances for Expected Credit Loss	322.76	34.14
Irrecoverable site expenses	934.02	-
Corporate Social Responsibility Expenses (Refer Note No. 42)	304.32	279.31
Donation	5.46	10.05
Net Loss on PPE written off	82.68	27.91
Net Loss on sale of Assets	-	0.79
Net Loss on Foreign Exchange Fluctuations	-	133.82
Miscellaneous Expenses	31.34	25.62
Total	**2,669.44**	**1,483.23**

30.1 Remuneration to Auditors

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Payment to Statutory Auditors		
For Audit Fees	22.47	20.45
Total	**22.47**	**20.45**

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

31 Earnings per share (EPS)

Particulars	Unit	Year ended March 31, 2022	Year ended March 31, 2021
(i) Net Profit after Tax attributable to equity holders of the Holding Company	₹ in Lakhs	16,665.23	8,152.65
(ii) Weighted average number of shares outstanding during the year	In Nos.	3,60,00,000	3,60,00,000
(iii) Basic and Diluted Earnings Per Share ((i)/(ii))	In ₹	46.29	22.65

32 Employee benefits

[A] Defined contribution plans:

The Group makes contributions towards provident fund to defined contribution retirement benefit plan for qualifying employees. The provident fund contributions are made to Government administered Employees Provident Fund. Both the employees and the Group make monthly contributions to the Provident Fund Plan equal to a specified percentage of the covered employee's salary.

Contribution to Defined Contribution Plan, recognised as expenses during the year is as under:

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Contribution to Labour Welfare Fund	0.30	0.29
Contribution to Employee State Insurance Corporation Fund	28.06	32.55
Contribution to Provident Fund	186.27	106.83
Total	**214.63**	**139.67**

[B] Defined benefit plan:

The Group has a defined benefit gratuity plan in India (partially funded) for employees, who have completed five years or more of service is entitled to gratuity on termination of their employment at 15 days last drawn salary for each completed year of service. Further, the plan requires contributions to be made to a separately administered fund. The fund is managed by a trust which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy.

Gratuity is a defined benefit plan and group is exposed to the Following Risks:

Investment risk:

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Interest risk:

A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Longevity risk:

Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Salary risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

The following table sets out the status of the gratuity plan and the amounts recognised in the Group's financial statements as at March 31, 2022.

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

32 Employee benefits *(contd...)*

a) Reconciliation in present value of defined benefit obligation:

(₹ in Lakhs)

Particulars	2021-22	2020-21
Defined benefit obligations as at beginning of the year	333.48	304.59
Current service cost	67.51	64.74
Past service cost	-	-
Interest cost	22.74	20.77
Actuarial (Gains)/Losses	169.23	(16.04)
Benefits paid	(39.73)	(40.58)
Defined benefit obligations as at end of the year	**553.23**	**333.48**

b) Reconciliation of fair value of Plan Assets

(₹ in Lakhs)

Particulars	2021-22	2020-21
Fair Value of Plan Assets at the Beginning of the Period	245.31	240.08
Contributions by the Employer	328.90	13.16
Interest Income	16.73	16.37
Benefit Paid from the Fund	(39.73)	(20.58)
Return on Plan Assets, Excluding Interest Income	(2.07)	(3.72)
Fair Value of Plan Assets at the End of the Period	**549.14**	**245.31**

c) Amount recognised in balance sheet

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
PVO at the end of period	553.23	333.48
Fair value of planned assets at end of year-Insurance Fund	549.13	245.31
Funded status - Deficit	(4.10)	(88.17)
Net asset/(liability) recognised in the balance sheet	**(4.10)**	**(88.17)**

d) Amount recognised in Statement of Profit and Loss:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Current service cost	67.51	64.74
Interest cost	6.01	4.40
Past service cost	-	-
Total	**73.52**	**69.14**

e) Amount recognised in Other Comprehensive Income Remeasurements:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Actuarial (Gains)/ Losses	169.23	(16.04)
Return on Plan Assets, Excluding Interest Income	2.07	3.72
Total	**171.30**	**(12.32)**

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

32 Employee benefits *(contd...)*

f) Principal assumptions used in determining defined benefit obligations for the Holding Company

Particulars	As at March 31, 2022	As at March 31, 2021
Expected Return on Plan Assets (% per annum)	6.96%	6.82%
Discount rate (% per annum)	6.96%	6.82%
Salary escalation rate (% per annum)	8.25%	7%
Employee attrition rate (% per annum)	For service 4 years and below 12.00% p.a. For service 5 years and above 8.00% p.a.	For service 4 year and below 12.00% p.a. For service 5 year and above 3.00% p.a.
Mortality Rate (% per annum)	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality (2006-08)
Normal Retirement Age (In Years)	60	58
Average Future Service (In Years)	9	18

Note 1: Discount rate is determined by reference to market yields at the balance sheet date on Government bonds, where the currency and terms of the Government bonds are consistent with the currency and estimated terms for the benefit obligation.

Note 2: The estimate of future salary increases taken into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

g) Expected Cash flow of Maturity Profile for following years of Defined Benefit Obligations: (₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Year 1	37.26	8.90
Year 2	53.94	12.98
Year 3	41.75	29.74
Year 4	43.96	14.50
Year 5	47.06	16.35
Year 6 to 10	233.41	99.10
Year 11 and above	759.43	841.23

h) Sensitivity analysis: (₹ in Lakhs)

Scenario	As at March 31, 2022		As at March 31, 2021	
	DBO	Change	DBO	Change
Under Base Scenario				
Discount Rates - Up by 1 %	(44.12)	(7.97%)	(38.83)	(11.64%)
Discount Rates - Down by 1 %	51.76	9.36%	47.51	14.25%
Salary Escalation - Up by 1 %	45.91	8.30%	43.42	13.02%
Salary Escalation - Down by 1%	(40.64)	(7.35%)	(36.72)	(11.01%)
Withdrawal Rates - Up by 1%	(6.09)	(1.10%)	(1.14)	(0.34%)
Withdrawal Rates - Down by 1 %	6.66	1.20%	1.08	0.32%

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

32 Employee benefits *(contd...)*

i) Category of Assets:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Insurance Fund	549.13	245.31

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Group's financial statements as at balance sheet date:

(₹ in Lakhs)

Total Employee Benefit Liabilities	Note No.	Year ended March 31, 2022	Year ended March 31, 2021
Provisions	17	4.10	88.17

33 Tax Expense

(a) Amounts recognised in profit and loss

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Current Tax Expense (A)		
Current year	5,709.46	3,035.26
Deferred Tax Expense (B)		
Origination and reversal of temporary differences	(175.55)	(276.93)
Tax Expense recognised in the income statement (A+B)	**5,533.91**	**2,758.33**

(b) Amounts recognised in other comprehensive income

(₹ in Lakhs)

Particulars	Year ended March 31, 2022			Year ended March 31, 2021		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit plans	(171.30)	43.12	(128.18)	12.32	(3.10)	9.22
Items that will be reclassified to profit or loss						
Net fair value gain on investment in debt instruments through OCI	10.60	(1.67)	8.93	0.75	(0.19)	0.56
Total	**(160.70)**	**41.45**	**(119.25)**	**13.07**	**(3.29)**	**9.78**

(c) Reconciliation of effective tax rate

(₹ in Lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	%	Amount	%	Amount
Profit Before Tax		**22,199.14**		**10,852.96**
Tax using the Holding Company's domestic tax rate	25.17%	5,587.08	25.17%	2,731.47
Tax effect of:				
Effect of Expenses that are not deductible in determining taxable profit	5.01%	1,113.04	8.45%	917.30
Effect of income that is exempt from taxation	(0.37%)	(81.34)	0.14%	15.05
Effect of Expenses that are deductible in determining taxable profit	(3.81%)	(846.55)	(5.63%)	(611.13)
Effect of change in tax rate (Refer below Note)	-	-	-	-
Others	(1.07%)	(238.31)	(2.71%)	(294.36)
Effective income tax rate/Income tax expense	**24.93%**	**5,533.91**	**25.42%**	**2,758.33**

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

34 Fair value measurement hierarchy:

(₹ in Lakhs)

Particulars	As at March 31, 2022						
	Carrying amount	Amortised Cost	FVTOCI	FVTPL	Level of input used in		
					Level 1	Level 2	Level 3
Financial assets							
Investments*	21.09	21.09	-	-	-	-	-
Loans	593.25	593.25	-	-	-	-	-
Trade receivables	31,100.71	31,100.71	-	-	-	-	-
Cash and cash equivalents and Other Bank Balances	19,634.59	19,634.59	-	-	-	-	-
Other financial assets	36,125.08	36,125.08	-	-	-	-	-
	87,474.72	**87,474.72**	**-**	**-**	**-**	**-**	**-**
Financial liabilities							
Borrowings	9,965.69	9,965.69	-	-	-	-	-
Trade payables	25,820.02	25,820.02	-	-	-	-	-
Other Financial liabilities	3,600.80	3,600.80	-	-	-	-	-
	39,386.51	**39,386.51**	**-**	**-**	**-**	**-**	**-**

*Exclude Group investment amounting to ₹ 45.59 Lakhs as it is carried at cost.

(₹ in Lakhs)

Particulars	As at March 31, 2021						
	Carrying amount	Amortised Cost	FVTOCI	FVTPL	Level of input used in		
					Level 1	Level 2	Level 3
Financial assets							
Investments*	21.09	21.09	-	-	-	-	-
Loans	3,027.48	3,027.48	-	-	-	-	-
Trade receivables	22,653.74	22,653.74	-	-	-	-	-
Cash and cash equivalents and Other Bank Balances	22,902.70	22,902.70	-	-	-	-	-
Other financial assets	20,621.11	20,621.11	-	-	-	-	-
	69,226.12	**69,226.12**	**-**	**-**	**-**	**-**	**-**
Financial liabilities							
Borrowings	8,386.74	8,386.74	-	-	-	-	-
Trade payables	25,664.56	25,664.56	-	-	-	-	-
Other Financial liabilities	2,149.27	2,149.27	-	-	-	-	-
	36,200.57	**36,200.57**	**-**	**-**	**-**	**-**	**-**

*Exclude Group investment amounting to ₹ 45.59 Lakhs as it is carried at cost..

Fair value of financial assets and financial liabilities measured at amortised cost.

The carrying amounts of trade receivables, loans, advances, cash and other bank balances are considered to be the same as their fair values due to their short term nature. The carrying amounts of long term loans given with fixed rate of interest are considered at fair value.

The carrying amount of trade and other payables are considered to be the same as their fair values due to their short term nature. The carrying amonts of borrowings with floating rate of interest are considered to be close to fair value.

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

35 Capital Management:

The primary objective of capital management of the Group is to maximise Shareholder value. The Group monitors capital using Debt-Equity ratio which is total debt divided by total equity. For the purposes of capital management, the Group considers the following components of its Balance Sheet to manage capital:

Total equity includes General reserve, Retained earnings, Share capital and Security premium. Total debt includes current debt plus non-current debt.

The Debt-Equity ratio at the end of the reporting period are as under: (₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current borrowing	3,372.24	1,291.41
Current borrowing	6,593.45	7,095.33
Total Debt	**9,965.69**	**8,386.74**
Total equity	**68,695.93**	**53,589.95**
Adjusted net debt to adjusted equity ratio	**0.15**	**0.16**

36 Financial risk management

Risk management framework

The Holding Company's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board oversee the management of these financial risks through its Risk Management Committee as per the Holding Company's existing policy.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The audit committee oversees how the management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The audit committee is assisted by internal audit. Internal audit undertakes both regular and ad hoc review of risk management controls and procedures, the results of which are reported to the audit committee.

The Group has exposure to the following risks arising from financial instruments:

A) Credit risk;

B) Liquidity risk;

C) Market risk; and

D) Interest rate risk

A. Credit risk

Trade receivable

The Group's customer profile include a mix of customers – government, government residential, industrial, institutional and private sector residential. Credit risk arising from trade receivables is managed in accordance with the Group's established policy, procedures and control relating to customer credit risk management. General payment terms include mobilisation advance, monthly progress payments with a credit period ranging from 7 to 120 days and certain retention money to be released at the end of the project as per the relevant contract terms. In certain contracts, short term advances are received before the performance obligation is satisfied. In some cases, retentions are substituted with bank guarantees.

Summary of the Group's exposure to credit risk from various customer is as follows: (₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Trade Receivable	31,619.97	22,850.24
Less: Expected credit loss allowance	(519.26)	(196.50)
Total	**31,100.71**	**22,653.74**

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

36 Financial risk management *(contd...)*

Movement in Expected Credit Loss Allowance

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Expected Credit Loss Allowance	**196.50**	**162.36**
Add: Additional provision made	322.76	34.14
Less: Reversal of provision	-	-
Closing provision	**519.26**	**196.50**

Other financial assets

The Group maintains exposure in cash and cash equivalents, term deposits with banks and loans to subsidiary companies. The Group has diversified portfolio of investment with various number of counterparties which have secure credit ratings hence the risk is reduced. Cumulative allocation limits are set for each category of asset class. Credit limits and concentration of exposures are actively monitored by the finance department of the Group.

B. Liquidity risk

The principal sources of liquidity of the Group are cash and cash equivalents, borrowings and the cash flow that is generated from operations. The Group believes that current cash and cash equivalents, tied up borrowing lines and cash flow that is generated from operations is sufficient to meet requirements. Accordingly, liquidity risk is perceived to be low. The following table shows the maturity analysis of financial liabilities of the Group based on contractually agreed undiscounted cash flows as at the Balance Sheet date:

As at March 31, 2022

(₹ in Lakhs)

Particulars	Note No.	Carrying Amount	Less than 12 months	More than 12 months	Total
Non-current Borrowings (Incl. current maturities)	16	3,372.24	1,654.17	1,718.07	3,372.24
Current Borrowings	16	6,593.45	6,593.45	-	6,593.45
Trade Payables	18	25,820.02	25,820.02	-	25,820.02
Other Financial Liabilities	19	3,600.80	3,600.80	-	3,600.80
Total		**39,386.51**	**37,668.44**	**1,718.07**	**39,386.51**

As at March 31, 2021

(₹ in Lakhs)

Particulars	Note No.	Carrying Amount	Less than 12 months	More than 12 months	Total
Non-current Borrowings (Incl. current maturities)	16	1,291.41	1,013.08	278.33	1,291.41
Current Borrowings	16	7,095.33	7,095.33	-	7,095.33
Trade Payables	18	25,664.56	25,664.56	-	25,664.56
Other Financial Liabilities	19	2,149.27	2,149.27	-	2,149.27
Total		**36,200.57**	**35,922.24**	**278.33**	**36,200.57**

C Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices. It will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales and purchases are denominated. The functional currency for the Group is INR. The currencies in which these transactions are primarily denominated is US dollars.

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

36 Financial risk management *(contd...)*

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

(Amt. in Lakhs)

Particulars	Liabilities		Assets	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Loans (USD)	-	-	-	33.64
Trade Payables (Euro)	0.01	-	-	-
Trade Payables (USD)	-	-	-	-
Capital Payables (Euro)	0.08	-	-	-
Due to Related Party (Euro)	0.07	-	-	-

(₹ in Lakhs)

Particulars	Liabilities		Assets	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Loans (INR for USD)	-	-	-	2,472.98
Trade Payables (INR for Euro)	1.05	-	-	-
Trade Payables (INR for USD)	-	-	-	-
Capital Payables (INR for Euro)	6.89	-	-	-
Due to Related Party (INR for Euro)	6.25	-	-	-

Foreign currency sensitivity analysis

The Group is mainly exposed to the currency : USD and Euro

The following table details the Group's sensitivity to a 5% increase and decrease in the Rupee against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. This is mainly attributable to the net exposure outstanding on receivables or payables in the Group at the end of the reporting period. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rate. A positive number below indicates an increase in the profit or equity where the Rupee strengthens by 5% against the relevant currency. For a 5% weakening of the Rupee against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be negative.

Impact on profit or loss before tax and total equity

(₹ in Lakhs)

Particulars	Impact in INR	
	As at March 31, 2022	As at March 31, 2021
Increase in exchange rate by 5% (USD)	-	123.65
Decrease in exchange rate by 5% (USD)	-	(123.65)
Increase in exchange rate by 5% (Euro)	(0.71)	-
Decrease in exchange rate by 5% (Euro)	0.71	-

D Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group seeks to mitigate such risk by maintaining an adequate proportion of floating and fixed interest rate borrowings. Summary of financial assets and financial liabilities has been provided below:

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

36 Financial risk management *(contd...)*

Exposure to interest rate risk

The interest rate profile of the Group's interest - bearing financial instrument as reported to management is as follows:

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Fixed-rate instruments		
Financial Assets	593.25	3,027.48
Financial Liabilities	3,372.24	1,291.41
Variable-rate instruments		
Financial Assets	-	-
Financial Liabilities	6,593.45	7,095.33

Interest rate sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of change in interest rates. The following table demonstrates the sensitivity of floating rate financial instruments to a reasonably possible change in interest rates. The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

Impact on Profit / (loss) after tax

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Increase in 100 basis points	(49.34)	(53.10)
Decrease in 100 basis points	49.34	53.10

37 Related party transactions

Related Party Disclosures:

(i) Names of the related parties and description of relationship

As per the Indian Accounting Standard-24 on "Related Party Disclosures", list of related parties identified of the Group are as follows.

(a) Subsidiary

Name of the entity	Type
PSP Foundation [*]	Subsidiary

(b) Associate/Joint Venture

Name of the entity	Type
M/s. GDCL and PSP Joint Venture	Joint Venture
P and J Builders LLC	Step down Foreign Joint Venture - Level-I (Ceased w.e.f. December 01, 2021)
PSP Fremont LLC	Step down Foreign Joint Venture - Level-I (Ceased w.e.f. December 01, 2021)
Guttenberg Projects LLC	Step down Foreign Joint Venture - Level-I (Ceased w.e.f. December 01, 2021)

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

37 Related party transactions *(contd...)*

(c) **Key Management Personnel and Relatives**

Name of the Key Management Personnel	Status
Mr. Prahaladbhai S. Patel	Chairman, Managing Director and Chief Executive Officer
Mrs. Shilpaben P. Patel	Whole Time Director (Resigned From August 05, 2020)
Ms. Pooja P. Patel	Whole Time Director
Mr. Sagar P. Patel	Executive Director
Mr. Chirag Narendra Shah	Independent Director (Resigned from close of business hours of March 31, 2022)
Mr. Sandeep Himmatlal Shah	Independent Director
Mr. Vasishtha Pramodbhai Patel	Independent Director
Mrs. Zarana Pratik Patel	Independent Director
Mrs. Hetal Patel	Chief Financial Officer
Ms. Mittali Christachary	Company Secretary (Resigned from December 11, 2021)
Mr. Kenan Patel	Company Secretary (Appointed from December 14, 2021)
Name of the Relative	**Relation**
Mr. Dinubhai Patel	Brother of Chairman, Managing Director and Chief Executive Officer.

(d) **Entities controlled by Directors / Relatives of Directors:**

Name of the Entities	Type
PSP Properties Private Limited	M/s. Adishwaram Innovative LLP
Sprybit Softlabs LLP	M/s. A P Constructions
Shilp Products LLP	M/s. SIM Developers

[*] PSP Foundation is a company incorporated under Section 8 of the Companies Act, 2013 and this company is prohibited to give any right over their profits to its members. In view of restrictions on Section 8 companies, the Holding Company's share in PSP Foundation has not been considered in consolidated financial statement.

(ii) **Transactions with related parties:** (₹ in Lakhs)

Particulars	2021-22	2020-21
Interest Income by Holding Company		
M/s. GDCL and PSP Joint Venture	74.15	76.57
Interest Income by Subsidiary		
P and J Builders LLC	-	37.04
PSP Fremont LLC	132.88	149.21
Interest Expenses by Subsidiary		
Prahaladbhai S. Patel	-	12.00
Receipt of Services by Holding Company		
M/s. A P Constructions	755.90	858.83
Dinubhai Patel	25.00	25.00
Sprybit Softlabs LLP	-	13.83
Prahaladbhai S. Patel	67.23	58.48
Receipt of Services by Subsidiary		
M/s. A P Constructions	28.42	-

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

37 Related party transactions *(contd...)*

(₹ in Lakhs)

Particulars	2021-22	2020-21
Sale of Concrete Mix		
Shilp Products LLP	3.17	32.83
M/s. A P Constructions	14.68	9.81
M/s. Adishwaram Innovative LLP	1.46	-
Sale of Construction Materials / Assets		
Shilp Products LLP	-	16.93
Purchase of Construction Materials / Assets		
Shilp Products LLP	246.96	78.07
Reimbursements of Expenses		
M/s. GDCL and PSP Joint Venture	1.08	1.58
Share of Profit / (Loss) from Joint Venture by Holding Company		
M/s. GDCL and PSP Joint Venture	33.51	(46.28)
Share of Profit / (Loss) from Joint Venture by Subsidiary		
P and J Builders LLC	(2.04)	(192.12)
PSP Fremont LLC	6.29	(3.53)
Director's Sitting Fees Paid		
Chirag Narendra Shah	0.60	0.60
Sandeep Himmatlal Shah	1.05	0.45
Vasishtha Pramodbhai Patel	1.05	0.60
Mrs. Zarana Pratik Patel	1.05	0.45
Remuneration / Salary		
Prahaladbhai S. Patel	1,480.00	500.40
Shilpaben P. Patel	-	49.22
Pooja P. Patel	150.00	122.52
Sagar P. Patel	51.00	22.24
Hetal Patel	29.43	22.92
Mittali Christachary	5.37	6.07
Kenan Patel	2.53	-
Provision for Loss of Investment		
P and J Builders LLC	-	192.12
PSP Fremont LLC	-	3.53
Investment by Holding Company		
PSP Foundation	-	1.00
Loan Repaid to Director by Subsidiary		
Mr. Prahaladbhai S. Patel	-	(100.00)
Loans by Subsidiary		
P and J Builders LLC (Net)	-	(750.18)
PSP Fremont LLC (Net)	(2,472.98)	554.87
Loans by Holding Company		
M/s. GDCL and PSP Joint Venture (Net)	-	(425.24)

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

37 Related party transactions *(contd...)*

(iii) Outstanding balances arising from sales/purchases of goods/services with related Parties: (₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Investment by Holding Company		
M/s. GDCL and PSP Joint Venture	44.59	44.59
PSP Foundation	1.00	1.00
Investment by Subsidiary		
P and J Builders LLC	-	228.74
PSP Fremont LLC	-	0.07
Loans Receivable by Subsidiary		
PSP Fremont LLC	-	2,472.98
Loans Receivable by Holding Company		
M/s. GDCL and PSP Joint Venture	540.03	540.03
M/s. GDCL and PSP Joint Venture (Cr. Balance in current capital)	33.51	-
Trade Payables by Holding Company		
M/s. A P Constructions	63.81	102.22
Dinubhai Patel	6.25	6.25
Shilp Products LLP	28.93	28.00
Trade Payables by Subsidiary		
M/s. A P Constructions	33.06	-
Other Financial Assets (Interest Receivable) by Holding Company		
M/s. GDCL and PSP Joint Venture	74.15	-
Other Financial Assets (Interest Receivable) by Subsidiary		
PSP Fremont LLC	-	147.76
Provision for Loss /Loss on investment by Subsidiary		
P and J Builders LLC	-	226.66
PSP Fremont LLC	-	6.22
Remuneration Payable		
Prahaladbhai S. Patel	30.00	23.85
Pooja P. Patel	4.00	8.40
Sagar P. Patel	-	1.56
Hetal Patel	1.86	1.78
Mittali Christachary	-	0.55
Kenan Patel	0.69	-

(iv) Terms and conditions

a. Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

b. All the credit facilities of ₹ 1,04,700 Lakhs (P.Y. ₹ 1,04,700 Lakhs) and Term loan of ₹ 3,372.24 Lakhs as on March 31, 2022 (₹ 1,291.41 Lakhs as on March 31, 2021) are guaranted by Mr. Prahaladbhai S. Patel, Mrs. Shilpaben P. Patel and Ms. Pooja P. Patel and secured against collateral securities held in the name of holding company and Mr. Prahaladbhai S. Patel.

c. The Holding Company has given Performance BG of ₹ 196.87 Lakhs (P.Y. ₹ 196.87 Lakhs) to M/s. Gujarat Metro Rail Corporation Limited to the extent of 49% stake in M/s. GDCL And PSP Joint Venture for the project carried out by the Joint Venture.

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

38 Contingent Liabilities and Capital Commitments

(i) Contingent Liabilities:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Claims against Group not acknowledged as debt		
- Tax matters in dispute under appeal*	438.99	411.33
- Dispute in relation to the payment of wages	16.79	15.77
Bank guarantees for Performance, Earnest Money and Security Deposits**	48,317.41	36,313.31
Total	**48,773.19**	**36,740.41**

* The above matters are currently being considered by the tax authorities with various forums and the Group expects the judgement will be in its favour and has therefore, not recognised the provision in relation to these claims.

** includes bank guarantees of ₹ 196.87 Lakhs (March 31, 2021 ₹ 196.87 Lakhs) given on behalf of joint venture.

(ii) Capital Commitments:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for Property, Plant and Equipment (net of advances)	110.43	1,132.47
Total	**110.43**	**1,132.47**

39 Revenue from contracts with customers (Disclosure as per Ind AS 115)

(a) Disaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers is disaggregated by primary geographical area.

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
India	1,73,618.49	1,23,413.94

(b) Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Trade Receivables	31,100.71	22,653.74
Contract assets		
Retention money receivable from customers	11,352.94	9,301.87
Amount due from customers	9,922.25	7,722.15
Contract liabilities		
Advance received from Customers	13,766.42	4,927.32
Amount due to customers	2,146.58	2,313.19

A contract asset is Group's right to consideration for work completed but not billed at the reporting date and a right to consideration that is conditioned on achievement of milestone specified in the contract excluding any amounts presented as a receivable. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Group issues an invoice to the customer or milestones are achieved as specified in the contract. The contract liabilities primarily relate to the advance consideration received from customers for construction for which revenue is recognised over time.

Amounts due from contract customers represents the gross unbilled amount expected to be collected from customers for contract work performed till date. It is measured at cost plus profit recognised till date less progress billings and recognised losses when incurred.

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

39 Revenue from contracts with customers (Disclosure as per Ind AS 115) *(contd...)*

Amounts due to contract customers represents the excess of progressive billing over the revenue recognised (cost plus attributable profits) for the contract work performed till date.

Significant changes in contract asset and contract liabilities balances during the year are as follows : (₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Due from contract customers		
At the beginning of the reporting period	7,722.15	11,623.19
Cost incurred plus attributable profits on contracts-in-progress	76,133.31	90,071.94
Progressive billings made towards contracts-in-progress	73,933.21	93,972.98
Due from contract customers impaired during the reporting period	-	-
Significant changes due to other reasons	-	-
At the end of the reporting period	9,922.25	7,722.15

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Due to contract customers		
At the beginning of the reporting period	(2,313.19)	(963.73)
Cost incurred plus attributable profits on contracts-in-progress	21,485.03	19,857.37
Progressive billings made towards contracts-in-progress	21,318.42	21,206.83
Due from contract customers impaired during the reporting period	-	-
Significant changes due to other reasons	-	-
At the end of the reporting period	(2,146.58)	(2,313.19)

(c) Movement of Expected Credit Loss during the year

In March 2022, ₹ 322.76 Lakhs (March 2021, ₹ 34.14 Lakhs) was recognised as provision for expected credit losses on Trade Receivables.

(d) Performance obligation

The Group recognises revenue from contracts with customers when it satisfies a performance obligation by transferring promised good or service to a customer. The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Performance obligation is satisfied over time when the transfer of control of asset (good or service) to a customer is done over time and in other cases, performance obligation is satisfied at a point in time. For performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation.

For contracts where the aggregate of contract cost incurred to date plus recognised profits (or minus recognised losses as the case may be) exceeds the progress billing, the surplus is shown as contract asset and termed as "Due from customers". For contracts where progress billing exceeds the aggregate of contract costs incurred to-date plus recognised profits (or minus recognised losses, as the case may be), the surplus is shown as contract liability and termed as "Due to customers". Amounts received before the related work is performed are disclosed in the Balance Sheet as contract liability and termed as "Advances from customer". The amounts billed on customer for work performed and are unconditionally due for payment i.e. only passage of time is required before payment falls due, are disclosed in the Balance Sheet as trade receivables. The amount of retention money held by the customers pending completion of performance milestone is disclosed as part of contract asset and is reclassified as trade receivables when it becomes due for payment.

The aggregate value of performance obligations that are completely or partially unsatisfied as at 31 March 2022 is ₹ 4,33,251 Lakhs. The revenue recognition mainly depends on meeting the delivery schedules, contractual terms and conditions with customers, availability of customer sites, changes in scope, variation in prices etc. In view of these, it is not practical to define the accurate percentage of conversion to revenue on yearly basis. However, a tentative bifurcation of remaining performance obligation within next 3 years is as follows :

(₹ in Lakhs)

Particulars	FY 2022-23	FY 2023-24	FY 2024-25
Contract revenue	2,43,833	1,26,334	63,084

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

39 Revenue from contracts with customers (Disclosure as per Ind AS 115) *(contd...)*

(e) Reconciliation of revenue recognised in the Statement of Profit and Loss

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Contract price of the revenue recognised	1,75,556.50	1,23,413.94
Less : Liquidated damages	-	-
Less : Material Received from customer	1,938.01	-
Revenue recognised in the statement of Profit and Loss	**1,73,618.49**	**1,23,413.94**

(f) Out of the total revenue recognised under Ind AS 115 during the year, 1,73,618.49 Lakhs (Year 2020-21: ₹ 1,23,413.94 Lakhs) is recognised over a period of time.

40 Disclosure of Creditors outstanding under MSMED Act, 2006

Disclosure required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006.

(₹ in Lakhs)

Sr. No.	Particulars	As at March 31, 2022	As at March 31, 2021
a)	(i) Principal amount remaining unpaid to supplier under the MSMED Act 2006	1,284.52	1,014.65
	ii) Interest on a) (i) above	1.27	1.17
b)	The amount of interest paid by the Group in terms of section 16 of the MSMED, along with amount of payment made to the supplier beyond the appointed date during the accounting year.	-	-
c)	The amount of interest accrued and remaining unpaid at the end of the financial year	1.27	1.17
d)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding interest specified under MSMED.	-	-
e)	The amount of further interest remaining due and payable even in the succeeding year	-	-

41 Segment Information

The Group is engaged in construction project activities. Considering the nature of group's business and operations as well as reviews of operating results by the Chief Operating Decision Makers to make decisions about resource allocation and performance allocation and performance measurement the group has identified construciton project acvities as only responsibile segment in accordance with the requirements of Ind AS 108 operating segment.

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

42 Corporate Social Responsibility (CSR) Expenditure

(a) Details of Corporate Social Responsibility:

(₹ in Lakhs)

Particulars		Year ended March 31, 2022	Year ended March 31, 2021
CSR amount required to be spent by the Group as per Section 135 of the Companies Act, 2013	**(A)**	**291.08**	**279.31**
Gross Amount Spend by the Group during the year			
(i) Construction/acquisition of any asset		-	-
(ii) Purposes other than (i) above			
Promoting health care including preventive health care – Schedule VII (i)		300.00	257.32
Animal Welfare		-	10.00
Promoting education and enhancing vocational skills especially amongst children - Schedule VII (ii)		4.32	-
Total CSR Spend in Actual	**(B)**	**304.32**	**267.32**
Shortfall / (Excess)	**(A-B)**	**(13.24)**	**11.99**
Details of related party transactions, e.g., contribution to a trust controlled by the Group in relation to CSR expenditure as per Ind AS 24		-	-

(i) The unspent CSR amount for the FY 2020-21 aggregating to ₹ 11.99 Lakhs was transferred to PM CARES FUND, a fund specified under Schedule VII of the Companies Act, 2013 within a period of six months of the expiry of the financial year ended March 31, 2021 as required under Section 135(5) of the Companies Act, 2013 and Rules made thereunder and the amount of separate unspent account as at March 31, 2022 is ₹ Nil.

(ii) Excess amount spend for CSR during the FY 2021-22 of ₹ 13.24 Lakhs, available for set off in succeeding financial years.

43 Details of enterprises consolidated in accordance with Ind AS - 110 - Consolidated Financials Statements

(i) Subsidiaries

Sr. No.	Name of the Enterprise	Country of Incorporation	Proportion of Ownership Interest as at		Accounting Period
			March 31, 2022	March 31, 2021	
1	PSP Projects and Proactive Constructions Private Limited	India	100.00%	100.00%	April 1, 2021 to March 31, 2022
2	PSP Projects Inc.	USA	100.00%	100.00%	April 1, 2021 to December 23, 2021

(ii) Joint Ventures

Sr. No.	Name of the Enterprise	Country of Incorporation	Proportion of Ownership Interest as at		Accounting Period
			March 31, 2022	March 31, 2021	
1	GDCL and PSP Joint Venture	India	49.00%	49.00%	April 1, 2021 to March 31, 2022
2	P and J Builders LLC	USA	50.00%	50.00%	April 1, 2021 to December 1, 2021
3	PSP Fremont LLC	USA	50.00%	50.00%	April 1, 2021 to December 1, 2021

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

44 Additional Information as required under Schedule III to the Companies Act, 2013 of Enterprises Consolidated as Subsidiary as at March 31, 2022.

(₹ in Lakhs)

Name of the Enterprise	Net Assets i.e., Total Assets Minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income	
	% of Consolidated Net Assets	₹	% of Consolidated Profit or Loss	₹	% of Consolidated OCI	₹	% of Consolidated Total Comprehensive Income	₹
Holding Company								
PSP Projects Limited*	99.68%	68,471.52	100.29%	16,714.49	107.49%	(128.18)	100.24%	16,586.31
Subsidiaries								
Indian								
1. PSP Projects and Proactive Constructions Private Limited	0.04%	29.46	(0.18%)	(30.58)	0.00%	-	(0.18%)	(30.58)
Foreign								
1 PSP Projects Inc.	0.28%	194.95	(0.11%)	(18.68)	(7.49%)	8.93	(0.06%)	(9.75)
Joint Ventures								
Indian								
1 M/s. GDCL and PSP Joint Venture (Refer Note below)	-	-	-	-	-	-	-	-
Foreign								
1 P and J Builders LLC (Refer Note below)	-	-	-	-	-	-	-	-
Total	**100%**	**68,695.93**	**100%**	**16,665.23**	**100%**	**(119.25)**	**100%**	**16,545.98**

*after eliminating investment in subsidiary companies and net of consolidation adjustments.

Note:

Profit of PSP Projects Limited includes Profit from M/s. GDCL and PSP Joint Venture amounting to ₹ 33.51 Lakhs.

Loss of PSP Projects Inc. includes loss from P and J Builders of ₹2.04 Lakhs and profit from PSP Fremont LLC of ₹6.29 Lakhs.

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

45 Code on Social Security:

The Code on Social Security, 2020 ('Code') has been notified in the Official Gazette in September 2020 which could impact the contribution by the Group towards certain employment benefits. The effective date from which the changes and rules would become applicable is yet to be notified. Impact of the changes will be assessed and accounted in the relevant period of notification of relevant provisions.

46 Events after the reporting period:

The board of directors have recommended dividend of ₹ 5.00 per fully paid up equity share of ₹ 10/- each, which is subject to approval of members at Annual General Meeting.

47 Approval of Financial Statements:

The financial statements are approved for issue by the Audit Committee and Board of Directors at their meetings held on May 27, 2022.

48 Transactions with Struck off companies:

The following table summarises the transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 for the year ended March 31, 2022:

(₹ in Lakhs)

Name of struck off Company	Nature of transactions with struck off Company	Amount of transactions	Balance outstanding	Relationship with the Struck off company
Yamunesh Infrastructures Pvt Ltd	Services availed	5.71	0.10	External vendor

The Group does not have any transactions with companies struck- off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 for the year ended March 31, 2021.

49 Statutory Information/compliance

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

(ii) The Group has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

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

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

(v) The Group has not entered with any Scheme(s) of arrangement in terms of sections 230 to 237 of the Companies Act, 2013.

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

(a) 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

(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

50 The figures of previous year have been regrouped/reclassified wherever necessary, to conform to the current year's classification.

In terms of our report attached

For Kantilal Patel & Co
Chartered Accountants
ICAI Firm Reg. No. : 104744W

For Riddhi P. Sheth & Co.
Chartered Accountants
ICAI Firm Reg. No. : 140190W

For and on behalf of the Board of Directors

Jinal A. Patel
Partner
Membership No. : 153599

Riddhi P. Sheth
Proprietor
Membership No. : 159123

Prahaladbhai S. Patel
Chairman, Managing Director and CEO
(DIN: 00037633)

Pooja P. Patel
Whole Time Director
(DIN: 07168083)

Hetal Patel
Chief Financial Officer

Kenan Patel
Company Secretary
Membership No.: ACS 39981

Place: Ahmedabad
Date : May 27, 2022

Place: Ahmedabad
Date : May 27, 2022

Form AOC-1

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

Statement containing salient features of the financial statement of subsidiaries/associate companies/ joint ventures

Part "A": Subsidiaries

(₹ in Lakhs)

Sl. No.	Particulars	Details	
1.	Sl. No.	1	2
2.	Name of the subsidiary	PSP Projects and Proactive Constructions Private Limited	PSP Foundation*
3.	The date since when subsidiary was acquired	07/01/2016 (Incorporated)	26/02/2021 (Incorporated)
4	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.	N.A.
5	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.	N.A.
6.	Share capital	500.00	1.00
7.	Reserves and surplus	(470.54)	(0.46)
8.	Total assets	457.98	0.69
9.	Total Liabilities	428.52	0.69
10	Investments	-	-
11	Turnover**	0.02	-
12	Profit/(Loss) before taxation	(41.33)	(0.46)
13	Provision for taxation	(10.75)	-
14	Profit/(Loss) after taxation	(30.58)	(0.46)
15	Proposed Dividend	-	-
16	Extent of shareholding (In percentage)	100%	100%

* Accounts of PSP Foundation are not being consolidated.

** Turnover includes other income.

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations - NA
2. Names of subsidiaries which have been liquidated or sold during the year. – PSP Projects INC.

Form AOC-1

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

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Part "B": Associates and Joint Ventures

(₹ in Lakhs)

Name of associates/Joint Ventures	GDCL and PSP Joint Venture
1. Latest audited Balance Sheet Date	March 31, 2022
2. Date on which the Associate or Joint Venture was associated or Acquired	May 27, 2015
3. Shares of Associate/Joint Ventures held by the company on the year end	N.A.
Amount of Investment in Associates/Joint Venture	44.59
Extent of Holding (In percentage)	49%
4. Description of how there is significant influence	Joint Venture
5. Reason why the associate/joint venture is not consolidated	N.A.
6. Net worth attributable to shareholding as per latest audited Balance Sheet	373.99
7. Profit/(Loss) for the year	68.40
i. Considered in Consolidation	33.51
ii. Not Considered in Consolidation	34.89

1. Names of associates or joint ventures which are yet to commence operations. NA
2. Names of associates or joint ventures which have been liquidated or sold during the year. NA

For and on behalf of the Board of Directors

Prahaladbhai S. Patel
Chairman, Managing Director and CEO
(DIN: 00037633)

Pooja P. Patel
Whole Time Director
(DIN: 07168083)

Hetal Patel
Chief Financial Officer

Kenan Patel
Company Secretary
Membership No.: ACS 39981

Place: Ahmedabad
Date : May 27, 2022

Place: Ahmedabad
Date : May 27, 2022

PSP PROJECTS LIMITED
CIN: L45201GJ2008PLC054868
Registered Office: 'PSP House', Opp. Celesta Courtyard,
Opp. Lane of Vikramnagar Colony, Iscon-Ambli Road, Ahmedabad - 380058
Tel No.: +91 79 26936200 / +91 79 26936300 / +91 9512044644
Website: www.pspprojects.com, E-mail: grievance@pspprojects.com

Notice of the 14th Annual General Meeting

Notice is hereby given that the Fourteenth (14th) Annual General Meeting ('AGM') of the members of PSP Projects Limited ("the Company") will be held on Tuesday, September 27, 2022 at 11:00 a.m. IST through Video Conferencing or Other Audio Visual Means ("VC/OAVM") and the venue of the meeting shall be deemed to be the Registered Office of the company at 'PSP House', Opp. Celesta Courtyard, Opp. Lane of Vikramnagar Colony, Iscon-Ambli Road, Ahmedabad – 380058, Gujarat to transact the following businesses:

Ordinary Businesses

Item No. 1 - To receive, consider and adopt –

a. the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2022, together with the Reports of the Board of Directors and the Auditors thereon;

b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2022, together with the Reports of Auditors thereon.

Item No. 2 - To declare a Final Dividend of ₹5/- per fully paid equity share for the financial year ended March 31, 2022.

Item No. 3 - To appoint a director in place of Mr. Prahaladbhai S. Patel (DIN: 00037633), who retires by rotation and being eligible, offers himself for re-appointment.

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of section 152 of the Companies Act, 2013, Mr. Prahaladbhai S. Patel (DIN: 00037633) who retires by rotation and being eligible offers himself for re-appointment, be and is hereby re-appointed as a director of the company."

Special Businesses

Item No. 4 - To appoint Mrs. Achala M. Patel (DIN: 00914990) as Non-Executive Independent Director

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and 160 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), and the rules framed thereunder, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Articles of Association of the Company, and recommendation of the Nomination and Remuneration Committee and the Board of Directors, Mrs. Achala M. Patel (DIN: 00914990), who was appointed as an Additional Director of the Company (in the capacity of Non-Executive Independent Director) by the Board of Directors with effect from July 14, 2022 in terms of Section 161 of the Act, and in respect of whom the Company has received a notice from a Member proposing her candidature for the office of Director and who has submitted a declaration that she meets the criteria of independence as prescribed under the Act and the Listing Regulations and being eligible for appointment as an Independent Director, be and is hereby appointed as a Non-Executive Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years with effect from July 14, 2022 to July 13, 2027 (both days inclusive).

Item No. 5 - To revise the terms of Remuneration payable to Ms. Pooja P. Patel (DIN: 07168083), Whole Time Director of the company

To consider and if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution**:

"**RESOLVED THAT** in modification to the earlier resolution passed by the members at the 12th Annual General Meeting held on September 18, 2020, and pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, read with Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and any subsequent amendment / modification in the Rules, Act and/or applicable laws in this regard and pursuant to the provisions of Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable regulations, if any and recommendation of the Nomination and Remuneration Committee and the Board of Directors, the approval of the members of the company be and is hereby accorded to revise the terms of remuneration payable to Ms. Pooja P. Patel (DIN: 07168083),Whole Time director of the company by way of salary, allowances and perquisites for the remaining tenure of her appointment for five years originally commenced from September 01, 2020, detailed as under:

a) **Salary**

₹20,00,000/- per month, with such increment and an ex-gratia payment/performance bonus as may be recommended by the Nomination and Remuneration Committee and approved by the board of directors at its absolute discretion from time to time with the total remuneration (salary, perquisites, allowance, and benefits) payable in any financial year not exceeding 5% of the Net Profits of the company computed as per Section 198 of the Companies Act, 2013 during her remaining tenure.

b) **Perquisites & Allowances**

- Use of Car with Driver: Ms. Pooja Patel shall be entitled to a car with driver for business and personal use. In addition, she shall also be entitled for running and maintenance expenses of another car owned by, or leased/ rented to, the Whole Time Director for business and personal use.
- Other perquisites and allowances and such other payments in the nature of perquisites, benefits and allowances as per the rules of the company in force from time to time or as may otherwise be decided by the Board.

c) **Commission**

In addition to the salary, perquisites and allowances payable, a commission, as may be decided by the Board of Directors at the end of each financial year calculated with reference to the net profits of the Company, subject to the overall ceiling stipulated in Sections 197, 198 read with Schedule V of the Companies Act, 2013 (including any subsequent amendment/ modification in the Rules, Act and/or applicable laws in this regard) may also be paid to her.

d) **Other Terms and Conditions**

i. Ms. Pooja P. Patel shall be liable to retire by rotation whilst she continues to hold office of Whole Time Director and her retirement will not break her length of service;

ii. Ms. Pooja P. Patel shall be entitled to the reimbursement of expenses actually and properly incurred by her, in the course of legitimate business of the Company and traveling, hotel and other expenses incurred by her in India and abroad, exclusively for the business of the Company;

iii. Ms. Pooja P. Patel will not be entitled to sitting fees for attending meetings of the Board and or Committees thereof;

iv. In addition to salary, allowances and perquisites, Ms. Pooja Patel shall be entitled to leave encashment and payment of Gratuity at the end of her tenure.

v. Ms. Pooja P. Patel shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors;

vi. Ms. Pooja P. Patel shall adhere to the Company's Code of Conduct;

vii. Her office shall be liable to termination with 3 months' notice from either side;

viii. The terms and conditions of her remuneration may be altered, amended, varied and modified from time to time by the Board or Committee thereof as it may be permissible and if deem fit subject to overall ceilings stipulated in Section 197 of the Companies Act, 2013.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, the Company shall pay in respect of such financial year, the remuneration paid for immediately preceding financial year as minimum remuneration by way of salary, allowances, perquisites and other benefits, subject to the provisions of Schedule V of the Act and subject to necessary approvals, if any.

RESOLVED FURTHER THAT in the event of any statutory amendment or modification by the Central Government to Schedule V or any applicable provisions of the Companies Act, 2013, the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee be and is hereby authorized to vary and alter the terms of appointment including salary, commission, perquisites, allowances etc. payable to Ms. Pooja P. Patel within such prescribed limit or ceiling specified under Section 197 read with Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force).

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized do all such acts, deeds and things, as the board may, in its absolute discretion, consider necessary, expedient or desirable including power to sub-delegate, in order to give effect to this resolution or as otherwise considered by the board of directors to be in the best interest of the Company, as it may deem fit."

Item No. 6 - Revision in the terms of Remuneration payable to Mr. Sagar P. Patel (DIN: 07168126), Executive Director of the company

To consider and if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution**:

"**RESOLVED THAT** in modification to the earlier resolutions passed by the members through Postal Ballot on November 25, 2019 and 12th Annual General Meeting held on September 18, 2020, and pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, read with Schedule

V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and any subsequent amendment / modification in the Rules, Act and/or applicable laws in this regard and pursuant to the provisions of Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable regulations, if any, and the recommendation of the Nomination and Remuneration Committee and the Board of Directors, the approval of the members of the company be and is hereby accorded to revise the terms of remuneration payable to Mr. Sagar P. Patel (DIN: 07168126), Executive Director of the company by way of salary, allowances and perquisites for the remaining tenure of his appointment of five years originally commenced from November 01, 2019, detailed as under:

a) **Salary**

₹20,00,000/- per month, with such increment and an ex-gratia payment/performance bonus as may be recommended by the Nomination and Remuneration Committee and approved by the board of directors at its absolute discretion from time to time with the total remuneration (salary, perquisites, allowance, and benefits) payable in any financial year not exceeding 5% of the Net Profits of the company computed as per Section 198 of the Companies Act, 2013 during his remaining tenure.

b) **Perquisites & Allowances**

- Use of Car with Driver: Mr. Sagar Patel shall be entitled to a car with driver for business and personal use. In addition, he shall also be entitled for running and maintenance expenses of another car owned by, or leased/ rented to, the Executive Director for business and personal use.
- Other perquisites and allowances and such other payments in the nature of perquisites, benefits and allowances as per the rules of the company in force from time to time or as may otherwise be decided by the Board.

c) **Commission:**

In addition to the salary, perquisites and allowances payable, a commission, as may be decided by the Board of Directors at the end of each financial year calculated with reference to the net profits of the Company, subject to the overall ceiling stipulated in Sections 197, 198 read with Schedule V of the Companies Act, 2013 (including any subsequent amendment/ modification in the Rules, Act and/or applicable laws in this regard) may also be paid to him.

d) **Other Terms and Conditions:**

i. Mr. Sagar P. Patel shall be liable to retire by rotation whilst he continues to hold office of Executive Director and his retirement will not break his length of service;

ii. Mr. Sagar P. Patel shall be entitled to the reimbursement of expenses actually and properly incurred by him, in the course of legitimate business of the Company and traveling, hotel and other expenses incurred by him in India and abroad, exclusively for the business of the Company;

iii. Mr. Sagar P. Patel will not be entitled to sitting fees for attending meetings of the Board and or Committees thereof;

iv. In addition to salary, allowances and perquisites, Mr. Sagar Patel shall be entitled to leave encashment and payment of Gratuity at the end of his tenure.

v. Mr. Sagar P. Patel shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors;

vi. Mr. Sagar P. Patel shall adhere to the Company's Code of Conduct;

vii. His office shall be liable to termination with 3 months' notice from either side;

viii. The terms and conditions of her may be altered, amended, varied and modified from time to time by the Board or Committee thereof as it may be permissible and if deem fit subject to overall ceilings stipulated in Section 197 of the Companies Act, 2013.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, the Company shall pay in respect of such financial year, the remuneration paid for immediately preceding financial year as minimum remuneration by way of salary, allowances, perquisites and other benefits, subject to the provisions of Schedule V of the Act and subject to necessary approvals, if any.

RESOLVED FURTHER THAT in the event of any statutory amendment or modification by the Central Government to Schedule V or any applicable provisions of the Companies Act, 2013, the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee be and is hereby authorized to vary and alter the terms of appointment including salary, commission, perquisites, allowances etc. payable to Mr. Sagar P. Patel within such prescribed limit or ceiling specified under Section 197 read with Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force).

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized do all such acts, deeds and things, as the board may, in its absolute discretion, consider necessary, expedient or desirable including power to sub-delegate, in order to give effect to this resolution or as otherwise considered by the board of directors to be in the best interest of the Company, as it may deem fit."

Item No. 7 - Ratification of Cost Auditors' remuneration.

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration of ₹93,000/- (Rupees Ninety Three Thousand only) plus applicable taxes and reimbursement of out of pocket expenses at actuals, if any, incurred in connection with the audit, as recommended by the Audit Committee and approved by the Board of Directors, payable to M/s. K V M & Co. Cost Accountants (Firm Registration No. 000458) to act as Cost Auditors to conduct the audit of the relevant cost records of the Company as prescribed under the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, for the financial year ending March 31, 2023 be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT any of the directors of the Company be and are hereby severally authorised to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board of Directors
PSP Projects Limited

Date: August 09, 2022
Place: Ahmedabad

Kenan Patel
Company Secretary
Membership No.: ACS 39981

Registered office:
'PSP House', Opp. Celesta Courtyard,
Opp. Lane of Vikramnagar Colony,
Iscon-Ambli Road, Ahmedabad – 380058
CIN: L45201GJ2008PLC054868

NOTES:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ('the Act') relating to the Special Businesses to be transacted at the Annual General Meeting ('AGM') is annexed hereto. The Board of Directors at its meeting held on August 09, 2022 considered and decided to include Item Nos. 4, 5, 6 & 7 as given above as Special Businesses in the forthcoming AGM, as they are unavoidable in nature. The relevant details, pursuant to 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of directors seeking appointment/re-appointment at the ensuing Annual General Meeting is also annexed to this Notice.

2. In view of continuing outbreak of COVID-19 pandemic, and the need of ensuring social distancing and pursuant to the the Ministry of Corporate Affairs ("MCA") General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020, the latest being 02/2022 dated May 5, 2022 and Securities Exchange Board of India (SEBI) vide its Circular No. SEBI/HO/CFD/CMD2/CIRP/P/2022/62 dated May 13, 2022, and other applicable circulars issued in this regard (hereinafter collectively referred to as "the Circulars"), companies are allowed to hold AGM through VC/OAVM, without the physical presence of members at a common venue. Hence, the ensuing 14th AGM of the company is being conducted through VC/OAVM.

3. As the AGM is being held in accordance with the Circulars through VC/AOVM, the facility for appointment of proxies by the members will not be available for this 14th AGM and hence, the Attendance Slip, Proxy Form and the route map are not annexed to this Notice. Moreover, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.

4. In compliance with the Circulars, Notice of the AGM along with the Annual Report is being sent only through electronic mode to those Members whose email addresses are registered with the Company / Depositories. Members may note that the Notice and Annual Report will also be available on the Company's website www.pspprojects.com, website of stock exchanges i.e. BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com and on the website of National Securities Depository Limited at www.evoting.nsdl.com.

5. Participation of members through VC/OAVM will be reckoned for the purpose of quorum for the AGM as per section 103 of the Companies Act, 2013.

6. All the applicable Statutory records and other documents, if any referred to in the accompanying notice of the 14th AGM and the Explanatory Statements and other applicable statutory records will be available for inspection by the members at the Registered Office of the Company during normal business hours (10.00 a.m. to 6.00 p.m.) on working days up to the date of the AGM i.e. September 27, 2022. Such documents will also be available electronically for inspection by the members from the date of circulation of this notice upto the date of AGM and during the AGM i.e. September 27, 2022. Members seeking to inspect

such documents can send an email to grievance@pspprojects.com

7. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their respective Depository Participant(s).

8. Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority Letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by an e-mail to rs2003dudhela@yahoo.com with a copy marked to evoting@nsdl.co.in

9. In terms of the provisions of Section 72 of the Act, the facility for making nomination is available for the Shareholders in respect of the shares held by them. Shares of the company being in 100% demat mode, shareholders who have not yet registered their nomination are requested to submit the said details to their Depository Participant(s).

10. Members are requested to address all correspondence, including on dividends, to the Registrar and Share Transfer Agent, KFin Technologies Limited, Unit: PSP Projects Limited, Selenium Tower B. Plot 31-32, Financial, District: Nanakramguda, Serilingampally Mandal, Hyderabad – 500032. Tele. No: 1-800-309-4001; email id: einward.ris@kfintech.com.

11. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (IEPF). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company within the stipulated timeline. Members can correspond with the Registrar and Share Transfer Agent as mentioned above or the Company Secretary at the Company's registered office to claim their dividends that remain unclaimed. The details of the unclaimed dividends are also available on the Company's website at: https://www.pspprojects.com/track-record-of-dividend/

12. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

13. The Record date for the purpose of payment of final dividend for the financial year ended March 31, 2022 and AGM is Tuesday, September 20, 2022.

14. The dividend on equity shares, if approved at the AGM, subject to deduction of tax at source would be paid/dispatched on or after Tuesday, September 27, 2022 but before 30 days from the date of AGM to those persons or their mandates whose names appear as Member in the Register of Members as on Tuesday, September 20, 2022 and in the list of Beneficial Owners as on Tuesday, September 20, 2022 to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited for this purpose.

15. Shares of the company being in 100% demat mode, the dividend, if approved, will be paid by crediting the amount in their respective bank accounts as provided by NSDL and CDSL through ECS / NECS / electronic transfer, to all the shareholders having registered relevant bank details or in case of ECS / NECS / electronic payment rejected, dividend will be paid by dividend warrants / demand drafts. Members are requested to ensure that correct bank particulars are registered against their respective depository accounts which will be used by the Company for any payment of dividend. The Company or its Registrar and Transfer Agent, KFin Technologies Limited cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant by the members.

16. Pursuant to the Income-tax Act, 1961, as amended, dividend income is taxable in the hands of members w.e.f. April 01, 2020 and the Company is required to deduct tax at source from dividend paid to members at the prescribed rates. For the prescribed rates for various categories, the members are requested to refer to the Finance Act, 2020 and amendments thereof. The members are requested to update their PAN with the Depository Participants (as total shares of the company are held in Demat mode).

    For resident shareholders, taxes shall be deducted at source under Section 194 of the Income Tax Act as follows:

Shareholders having valid PAN	10% or as notified by the Government of India
Shareholders not having PAN / valid PAN	20% or as notified by the Government of India

However, no tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by them during the financial year 2022-23 does not exceed ₹5,000/- and also in cases where members provide Form 15G / Form 15H (applicable to individuals aged 60 years or more) subject to conditions specified in the Income Tax Act. Resident shareholders may also submit any other document as prescribed under the Income Tax Act to claim a lower / Nil withholding tax. Registered members may also submit any other document as prescribed under the Income Tax Act to claim a lower / Nil withholding tax. PAN is mandatory for members providing Form 15G / 15H or any other document as mentioned above. A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G / 15H, to avail the benefit of non-deduction of tax at source at https://ris.kfintech.com/form15/forms.aspx?q=0.

Non-resident shareholders [including Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors(FPIs)] can avail beneficial rates under tax treaty between India and their country of tax residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits. For this purpose, the shareholder may submit the above documents (PDF / JPG Format) at https://ris.kfintech.com/form15/forms.aspx?q=0 The aforesaid declarations and documents need to be submitted by the shareholders by Monday, September 12, 2022, 17:30 hours (IST).

17. To support the "Green Initiative", Members who have not registered their email addresses are requested to register the same with their Depository Participant(s), in respect of shares held.

18. VOTING THROUGH ELECTRONIC MEANS:

a) Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of Listing Regulations (as amended from time to time), and the Circulars issued by the Ministry of Corporate Affairs and Securities and Exchange Board of India (SEBI), the Company is providing facility of remote e-voting to its members in respect of the businesses to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as voting on the date of the AGM will be provided by NSDL.

b) The board of directors have appointed Mr. Rohit S. Dudhela, Practicing Company Secretaries (COP No. 7396) as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

c) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. Tuesday, September 20, 2022 only shall be entitled to avail the facility of remote e-voting as well as e-voting system during the AGM. Person who is not member as on the said date should treat this Notice for information purpose only.

d) The Members who have cast their vote by remote e-voting prior to the AGM may attend the AGM through VC/OAVM but shall not be entitled to cast their vote again.

e) Those Members, who will be present in the AGM through VC/OAVM and have not casted their vote through remote e-voting and are otherwise not barred from doing this, shall be eligible to vote through e-voting system during the AGM.

19. PROCEDURE AND INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:

The remote e-voting period begins on Saturday, September 24, 2022 at 9:00 A.M. and ends on Monday, September 26, 2022 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Tuesday, September 20, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, i.e. Tuesday, September 20, 2022.

How do I vote electronically using NSDL e-voting system?

The way to vote electronically on NSDL e-voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-voting system

A) Login method for e-voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

In terms of SEBI circular dated December 9, 2020 on e-voting facility provided by listed companies, individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	1. Existing **IDeAS** user can visit the e-services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner**" icon under "**Login**" which is available under '**IDeAS**' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-voting services under value added services. Click on "**Access to e-voting**" under **e-voting services** and you will be able to see e-voting page. Click on company name or e-voting service provider i.e. **NSDL** and you will be re-directed to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.
	2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "**Register Online for IDeAS Portal**" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp
	3. Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on company name or **e-voting service provider** i.e. **NSDL** and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.
	4. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi.
	2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-voting service provider** i.e. **NSDL**. Click on **NSDL** to cast your vote.

Type of shareholders	Login Method
	3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration
	Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. **NSDL** where the e-voting is in progress.
Individual Shareholders (holding securities in demat mode login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. upon logging in, you will be able to see e-voting option. Click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on company name or e-voting service provider i.e. NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for e-voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-voting website?

1. Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

   a) If you are already registered for e-voting, then you can user your existing password to login and cast your vote.

   b) If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

      (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

   a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-voting system.

How to cast your vote electronically and join General Meeting on NSDL e-voting system

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".

3. Now you are ready for e-voting as the voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority Letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to rs2003dudhela@yahoo.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under "e-voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and

e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. As 100% shares of the company are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16-digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to grievance@pspprojects.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
2. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
3. In terms of SEBI circular dated December 9, 2020 on e-voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-voting facility.

The instructions for members for e-voting on the day of the AGM are as under:

1. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those members/shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM.
3. Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-voting on the day of the AGM shall be the same person mentioned for remote e-voting.

Instructions for Members for attending the AGM through VC/ OAVM are as under:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-voting system. Members may access by following the steps mentioned above for **Access to NSDL** e-voting system. After successful login, you can see link of "VC/OAVM link" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/ folio number, PAN, mobile number at grievance@pspprojects.com latest by September 17, 2022 till 5:00 p.m. IST. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

General Guidelines for shareholders

1. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
2. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Sarita Mote at evoting@nsdl.co.in

ANNEXURES TO THE NOTICE

Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013.

Item no. 4

Based on the recommendation of the Nomination and Remuneration Committee ('NRC'), the Board has appointed Mrs. Achala M. Patel (DIN: 00914990) as an Additional Independent Director of the Company not liable to retire by rotation, for a term of five years, i.e., from July 14, 2022 upto July 13, 2027 (both days inclusive), subject to approval by the Members.

Pursuant to the provisions of Section 161(1) of the Act and Article 132 of the Articles of Association of the Company, Mrs. Achala M. Patel holds office up to the date of this AGM and is eligible to be appointed as a Director. The Company has, in terms of Section 160(1) of the Act, received in writing notice from a Member, proposing her candidature for the office of Director. The profile and specific areas of expertise of Mrs. Achala M. Patel are provided as Annexure to this Notice.

Mrs. Achala M. Patel has given her declaration to the Board, inter alia, that (i) she meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations, (ii) is not restrained from acting as a Director by virtue of any Order passed by SEBI or any such authority and (iii) is eligible to be appointed as a Director in terms of Section 164 of the Act. She has also given her consent to act as a Director.

In the opinion of the Board, Mrs. Achala M. Patel is a person of integrity, possesses relevant expertise / experience and fulfils the conditions specified in the Act and the Listing Regulations for appointment as an Independent Director and she is independent of the management.

Given her experience, the Board considers it desirable and in the interest of the Company to have Mrs. Achala M. Patel on the Board of the Company and accordingly the Board recommends the appointment of Mrs. Achala M. Patel as an Independent Director as proposed in the Resolution set out at Item No. 4 of the accompanying Notice for approval by the members.

Electronic copy of the terms and conditions of appointment of the Independent Directors is available on the website of the company at https://www.pspprojects.com/wp-content/uploads/2017/10/Terms-and-Conditions-for-Independent-Directors-22.10.2019.pdf .

Except Mrs. Achala M. Patel, no other Director, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said Resolution.

The board of directors recommends passing a Special Resolution as set forth in Item No.4 of the notice for approval of the members.

Item No. 5

At the 12th Annual General Meeting of the company held on September 18, 2020, the members of the company had approved the appointment and terms of remuneration of Ms. Pooja P. Patel, Whole Time Director of the company for a period of five years w.e.f September 1, 2020.

The members had approved her remuneration with salary of ₹12,50,000/- (Rupees Twelve Lakhs Fifty Thousand only) per month with such increments/increase as may be recommended by the Nomination and Remuneration Committee and approved by the board at its absolute discretion from time to time with the total remuneration (salary, perquisites, allowance, and benefits) payable in any financial year not exceeding 1% of the Net Profits of the company computed as per Section 198 of the Companies Act, 2013 during her tenure of 5 years.

Further, taking into consideration her dedication, progress and performance evaluation, the board of directors based on the recommendation of the Nomination and Remuneration Committee have decided to revise the maximum limit of the remuneration payable to her during her remaining tenure. The revised remuneration alongwith the other terms and conditions as approved by the board of directors of the company based on the recommendation of the Nomination and Remuneration Committee are enumerated in the resolution.

The total remuneration including Commission, if any payable to her in any financial year shall not exceed 5% of the net profits during that financial year computed as per Section 198 of the Companies Act, 2013.

Moreover, the overall remuneration payable every year to the Managing Director and the Whole Time Directors by way of salary, perquisites and allowances etc., may in aggregate exceed the limits specified in Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, but shall not exceed the limits prescribed from time to time under Section 197, Section 198 and other applicable provisions of the Act and Rules made thereunder, read with Schedule V of the Act or any statutory modification(s) or re-enactment thereof for the time being in force, or otherwise as may be permissible at law.

None of the Directors, Key Managerial Personnel and relatives thereof other than Ms. Pooja P. Patel and her relatives, has any concern or interest, financial or otherwise, in the resolution set out at Item No. 5 of the Notice.

The board of directors recommends passing a Special resolution as set forth in Item No.5 of the notice for approval of the members.

Item No. 6

The members of the company through Postal Ballot on November 25, 2019 had appointed Mr. Sagar P. Patel as an Executive Director of the company for a period of five years w.e.f. November 01, 2019 to October 31, 2024 and approved the terms and conditions relating to his appointment, including remuneration payable to him during his tenure of five years. At the 12th Annual General Meeting of the company held on September 18, 2020, the members of the company had approved revision in terms of his remuneration to ₹2,00,000/- (Rupees Two Lakhs only) per month salary with such increments/ increase as may be recommended by the Nomination and Remuneration Committee and approved by the board at its absolute discretion from time to time with the total remuneration (salary, perquisites, allowance, and benefits) payable in any financial year not exceeding 1% of the Net Profits of the company computed as per Section 198 of the Companies Act, 2013 during his remaining term.

Further, taking into consideration his dedication, progress and performance evaluation, the board of directors based on the recommendation of the Nomination and Remuneration Committee have decided to revise the maximum limit of the remuneration payable to him during his remaining tenure. The revised remuneration alongwith the other terms and conditions as approved by the board of directors of the company based on the recommendation of the Nomination and Remuneration Committee are enumerated in the resolution.

The total remuneration including Commission, if any payable to him in any financial year shall not exceed 5% of the net profits during that financial year computed as per Section 198 of the Companies Act, 2013.

Moreover, the overall remuneration payable every year to the Managing Director, Whole Time Directors and Executive Directors by way of salary, perquisites and allowances etc., may in aggregate exceed the limits specified in Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, but shall not exceed the limits prescribed from time to time under Section 197, Section 198 and other applicable provisions of the Act and Rules made thereunder, read with Schedule V of the Act or any statutory modification(s) or re-enactment thereof for the time being in force, or otherwise as may be permissible at law.

None of the Directors, Key Managerial Personnel and relatives thereof other than Mr. Sagar P. Patel and his relatives, has any concern or interest, financial or otherwise, in the resolution set out at Item No. 6 of the Notice.

The board of directors recommends passing a Special Resolution as set forth in Item No. 6 of the notice for approval of the members.

Item No. 7

The Board of Directors of the company, on the recommendation of the Audit Committee in their meeting held on August 09, 2022 had approved the appointment of M/s. K V M & Co., Cost Accountants (Firm Registration No. 000458) as Cost Auditors to conduct the audit of the Cost records of the Company for the financial year ending March 31, 2023 at a remuneration of ₹93,000/- (Rupees Ninety-Three Thousand Only) plus applicable taxes and reimbursement of out of pocket expenses at actuals, if any, incurred in connection with the audit.

In accordance with the provisions of section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, the board of directors recommends the passing of an Ordinary Resolution as set forth in Item no. 7 of the Notice for ratification of the remuneration payable to the Cost Auditors for the Financial year ending March 31, 2023.

M/s. K V M & Co. have furnished a certificate dated August 03, 2022 regarding their eligibility and consent for reappointment as Cost Auditors of the Company.

None of the Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the Notice.

By Order of the Board of Directors
PSP Projects Limited

Date: August 09, 2022
Place: Ahmedabad

Kenan Patel
Company Secretary
Membership No.: ACS 39981

Registered office:
'PSP House', Opp. Celesta Courtyard,
Opp. Lane of Vikramnagar Colony,
Iscon-Ambli Road, Ahmedabad – 380058
CIN: L45201GJ2008PLC054868

ANNEXURE TO THE NOTICE

Additional Information on Directors seeking appointment/re-appointment at the forthcoming 14th Annual General Meeting of the company as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings.

Name of the Director	Mr. Prahaladbhai S. Patel	Mrs. Achala M. Patel
DIN	00037633	00914990
Age	59 Years	56 years
Date of first appointment on the Board:	August 26, 2008	July 14, 2022 (As an Additional Director)
Qualifications	Bachelor's degree in Civil Engineering	Master of Philosophy
Experience and nature of his expertise in specific functional areas/ Brief resume including skills and expertise:	Mr. Prahaladbhai S. Patel is having more than 34 years of experience in the field of Construction and Business Development. He is having knowledge and expertise in running overall business of the company. Besides, he is also having technical expertise, industry knowledge. Moreover, he is also responsible for developing and maintaining customer relationships of the company.	Mrs. Achala M. Patel is having more than 9 years of experience in the business of power transmission and 5 years of experience in the business of construction. She is also possessing required skills and expertise in running business, leadership, ESG etc.
Terms and Conditions of re-appointment along with details of remuneration sought to be paid	Mr. Prahaladbhai S. Patel was appointed Chairman, Managing Director and CEO of the company for a period of 5 years w.e.f. July 07, 2020 on the terms and conditions as approved by the shareholders at their 11th AGM held on September 18, 2019.	Mrs. Achala M. Patel is proposed to be appointed as a Non-Executive Independent Director of the Company for a period of 5 years w.e.f. July 14, 2022 as per the terms and conditions set forth in the resolution to Item No. 4 of the Notice read with the Explanatory Statement thereto.
Remuneration last drawn (2021-22) (including sitting fees, if any)	₹ 1,480 Lakhs	Nil
Memberships/ Chairmanships of committees of the company (PSP) (includes only Audit Committee and Stakeholders' Relationship Committee)	Member – Audit Committee	Member – Audit Committee
Directorships held in other public companies (excluding foreign companies and Section 8 companies)	Nil	Nil
Memberships/ Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders' Relationship Committee)	Nil	Nil
Disclosure of inter-se relationship between directors and Key Managerial Personnel	Mr. Prahaladbhai S. Patel is father of Ms. Pooja P. Patel, Whole Time Director and Mr. Sagar P. Patel, Executive Director.	N.A
Number of board meetings attended during the financial year (2021-22)	8 out of 8	N.A.
Number of shares held in the Company (as on March 31, 2022)	1,86,39,308 Equity Shares	Nil

For more details, please refer to the Corporate Governance Report which forms part of this Annual Report.

By Order of the Board of Directors
PSP Projects Limited

Date: August 09, 2022
Place: Ahmedabad

Kenan Patel
Company Secretary
Membership No.: ACS 39981

Registered office:
'PSP House', Opp. Celesta Courtyard,
Opp. Lane of Vikramnagar Colony,
Iscon-Ambli Road, Ahmedabad – 380058
CIN: L45201GJ2008PLC054868

Synopsis of AGM information

Mode	Video Conference and other Audio-Visual means (VC/OAV M)
Time and date of Annual General Meeting	11:00 a.m., Tuesday, September 27, 2022
Participation through video-conferencing	https://www.evoting.nsdl.com/
Cut-off date for e-voting	Tuesday, September 20, 2021
E-voting start time and date	Saturday, September 24, 2021 (9:00 A.M)
E-voting end time and date	Monday, September 26, 2021 (5:00 P.M)
E-voting website of NSDL	https://www.evoting.nsdl.com/
Name, address and contact details of e-voting service provider	Contact person: Ms. Sarita Mote - Assistant Manager National Securities Depository Limited, 4th Floor, A Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai–400013, India Email id: evoting@nsdl.co.in Contact number: 1800-1020-990, 1800-224-430
Name, address and contact details of Registrar and Transfer Agent	Contact person: Mr. Suresh Babu D Manager- Corporate Registry KFin Technologies Limited Selenium Tower B, Plot Nos. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500032 Email id: suresh.d@kfintech.com , einward.ris@kfintech.com Contact number: +91- 40-67161517 Toll Free number: 1- 800-309-4001

NOTES

NOTES

PSP

Build to Last

PSP PROJECTS LIMITED