

## INDEPENDENT AUDITOR'S REPORT

To the Members of PSP Projects & Proactive Constructions Private Limited

Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the standalone financial statements of PSP Projects & Proactive Constructions Private Limited ("the Company"), which comprise the balance sheet as at March 31, 2025, and the statement of Profit and Loss (including other comprehensive income), the statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Indian Accounting Standards") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and its profits, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the Directors' Report including Annexures to the Directors' Report but does not include the standalone financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon. In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the other Information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.





### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the Accounting Standards specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

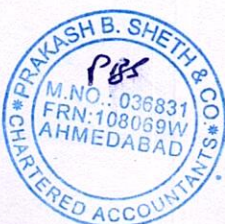
The Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibility 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 financial statements.

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

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

#### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act and Rules thereunder, as amended.
  - e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 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 and the operating effectiveness of such controls refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, we report that:

In our opinion and to the best of our information and according to the explanations given to us, the Company being a private company, section 197 of the Act related to the managerial remuneration is not applicable.

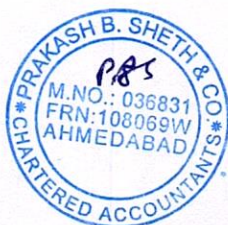
h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations which would impact its financial position
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (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 persons or any entities, 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) 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 persons or any entities, including foreign entities ("Funding Parties") with the understanding, whether recorded in writing or otherwise, that the company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(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 representation under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. (a) The company did not declare or paid dividend during the year hence question of compliance with section 123 of the Companies Act, 2013 does not arise.



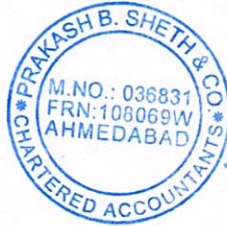


212/213, Pratibha I, Opp. Gandhigram Railway Station,  
B/h Sakar I, Navrangpura, Ahmedabad 380009

Prakash B. Sheth & Co.  
Chartered Accountants

---

- vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.
- 2). 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 Companies Act, 2013, we give in the Annexure 'B' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.



Place : Ahmedabad  
Date : May 21, 2025

For, Prakash B. Sheth & CO  
Chartered Accountants  
FRN: 108069W

(Prakash B. Sheth)  
Proprietor  
Membership No.: 036831  
UDIN 25036831BBIKZM6746



**ANNEXURE B TO INDEPENDENT AUDITORS' REPORT**

(Annexure referred to in paragraph 2 under "Report on Other Legal and Regulatory Requirements" section of our report the members of PSP Projects & Proactive Constructions Private Limited of even date)

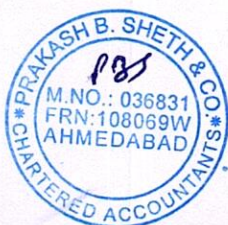
To the best of our information and according to the explanations provided to us by the company and the books of accounts and the records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's Property, Plant & 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 does not own any intangible asset hence reporting under this point is not applicable.
  - (b) The company has purchased all the Property, plant and Equipment on the last day of the financial year hence reporting under this point for various issues is not applicable.
  - (c) The company does not own any immovable property hence reporting under this point is not applicable.
  - (d) The company has not revalued any of its Property, Plant and Equipment during the year.
  - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
  - (a) Inventories have been physically verified at reasonable intervals by the management during the year. In our opinion, the coverage and the procedure of such verification is appropriate. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed during such verification.
  - (b) The company has not been sanctioned working capital limit in excess of Rs. 5 Crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii. The company has not made investments in or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firm, Limited Liability Partnership or any other parties hence reporting under clauses 3(iii) (a)(A)(B), 3(iii)(b), 3(iii)(c), 3(iii)(d) and 3(iii)(e) of the Order are not applicable.
- iv. The company has not given any loans, guarantees and securities and made investments covered under section 185 and 186 of the Companies Act, 2013 hence reporting under clause 3(iv) of the Order is not applicable.
- v. The company has not accepted any deposits or amounts which are deemed to be deposits as per the directives issued by the reserve bank of India under the provision of section 73 to 76 or any other relevant provisions of the Act and the rules framed there under and hence reporting under clause 3(v) of the Order is not applicable.





- vi. The Central Government has not prescribed the maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013 for any of the products manufactured/ services rendered by the company.
- vii. In respect of Statutory dues:
- (a) In our opinion, the Company is generally regular in depositing the undisputed statutory dues in respect of goods and service tax, provident fund, employees' state insurance, Income tax, Sales tax, Service Tax, duty of customs, duty of excise, value added tax and other material statutory dues, as applicable.
- In our opinion, no undisputed amounts payable in respect of goods and service tax, provident fund, employees' state insurance, income tax, sales tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues in arrears as at March 31, 2025 for a period of more than six months from the date they became payable.
- (b) There are no statutory dues referred to in clause (a) above as at March 31, 2025 which have not been deposited with the appropriate authorities on account of any dispute.
- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) The Company has not defaulted in repayment of loans or other borrowings to any lender.
- (b) The Company has not been declared willful defaulter by any bank of financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) The company has no subsidiaries, associates or joint ventures hence reporting under clause 3(ix)(e) of the Order is not applicable.
- (f) The company has no subsidiaries, associates or joint ventures hence reporting under clause 3(ix)(f) of the Order is not applicable.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year hence 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) 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 Companies 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 and up to the date of this report.
- (c) Based on the information and explanations given by the management no whistle-blower complaints, if any, received during the year by the Company.
- xii. In our opinion, the company is not a Nidhi Company hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion the transactions with related parties are in compliance with the provisions of Section 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Standalone Financial Statements as required by the applicable accounting standard.
- xiv. (a) in our opinion the Company is not required to have an internal audit system as per the provisions of the Companies Act, 2013.
- (b) Since Company does not require to have an internal audit system hence reporting under clause (xiv)(b) of the Order is not applicable.
- xv. In our opinion during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with him hence provisions of section 192 of the Companies act, 2013 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 clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the group (as defined in the Core Investment Companies (Reserve Bank Directions, 2016) and accordingly reporting under clause 3(xvi) (d) of the Order is not applicable.
- Xvii The Company has incurred cash losses of Rs. 4.71 lakhs during the current financial year. However, company has incurred cash losses of Rs. 123.78 lakhs during 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 Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.





212/213, Pratibha I, Opp. Gandhigram Railway Station,  
B/h Sakar I, Navrangpura, Ahmedabad 380009

Prakash B. Sheth & Co.  
Chartered Accountants

---

- xx. a) The provisions of Corporate Social Responsibility as per section 135 of the Companies Act, 2013 are not applicable to the Company for the year under audit. Accordingly, reporting under clauses 3(xx)(a) and clause 3(xx)(b) of the Order are not applicable for the year.
- xxi. There are no Companies of which reports are included in the consolidated financial statements. Hence, reporting under clauses 3(xxi) of the Order is not applicable.

Place : Ahmedabad.  
Date : May 21, 2025



For, Prakash B. Sheth & CO  
Chartered Accountants  
FRN: 108069W

(Prakash B. Sheth)  
Proprietor  
Membership No.:036831



## **ANNEXURE A TO INDEPENDENT AUDITORS' REPORT**

(Annexure referred to in paragraph 1(f) under "Report on Other Legal and Regulatory Requirements" section of our report the members of PSP Projects & Proactive Constructions Private Limited of even date)

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

We have audited the internal financial controls over financial reporting of PSP Projects & Proactive Constructions Private Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the Financial Statements of the Company for the period ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditors' Responsibility**

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

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

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





212/213, Pratibha I, Opp. Gandhigram Railway Station,  
B/h Sakar I, Navrangpura, Ahmedabad 380009

Prakash B. Sheth & Co.  
Chartered Accountants

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the 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 explanation given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For, Prakash B. Sheth & CO**  
**Chartered Accountants**  
**FRN: 108069W**



**Place : Ahmedabad**  
**Date : May 21, 2025**

  
**(Prakash B. Sheth)**  
**Proprietor**  
**Membership No.: 036831**



**1. Company Overview:**

PSP Projects & Proactive Constructions Private Limited ("the Company") is a private 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 company is engaged in Construction of commercial Projects.

**2. Material Accounting Policies, Key Accounting Estimates and Judgement:**

**2.1 Statement of Compliance and Basis of Preparation:**

These financial statements of the Company have 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 financial statement. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations require a different treatment.

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

**2.2 Functional and presentation currency:**

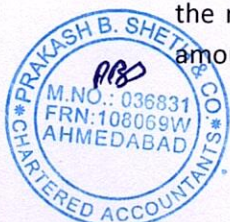
These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise stated.

**2.3 Key accounting estimates and judgements:**

The preparation of the Company's 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 21 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 2.12, 5 and 24 for further disclosure.

c) Fair value measurement of Financial Instruments:

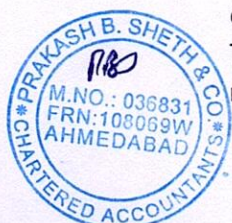
When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions. 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 2.9 and 25 for further disclosure.

d) 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 2.10, 15 and 28 for further disclosure.

e) Provisions:

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 2.13 for further disclosure.

## 2.4 Current / Non-Current Classification:

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- i. Expected to be realised or intended to be sold or consumed in normal operating cycle
- ii. Held primarily for the purpose of trading
- iii. Expected to be realised within twelve months after the reporting period, or
- iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when:

- i. It is expected to be settled in normal operating cycle
- ii. It is held primarily for the purpose of trading
- iii. It is due to be settled within twelve months after the reporting period, or
- iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The Company classifies all other liabilities 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:

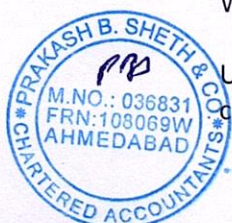
Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

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.





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.

## 2.6 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.

## 2.7 Site establishment cost:

Site establishment cost incurred at the initial stage of the project execution are amortized over the tenure of respective project. Unamortized site establishment costs are disclosed under other current assets.

## 2.8 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 recognized at fair value, except for Trade Receivable which are initially measured at transaction price. 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.

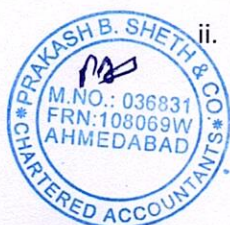
#### b) Subsequent measurement:

##### i. Financial assets measured at amortized 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 & 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 the Company uses the provision matrix based on 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:

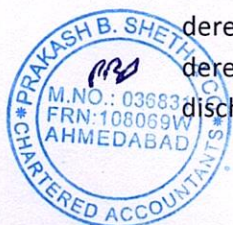
All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

b) Subsequent measurement:

Financial liabilities are carried at amortized 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 derecognizes 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 derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.





## 2.9 Fair Value of financial instruments:

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

### Fair value hierarchy:

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes 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

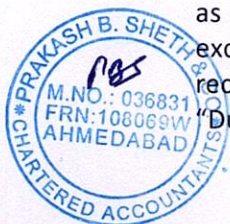
Assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

## 2.10 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 & 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 recognized as an expense immediately.

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 Company will collect the consideration to which it is entitled for the exchanged goods.

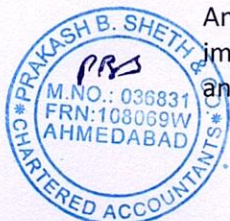
Performance obligations in respect of contracts for sale of manufactured and traded goods is considered as satisfied at a point in time when the control of the same is transferred to the customer and where there is an alternative use of the asset or the company does not have either explicit or implicit right of payment for performance completed till date.

#### **Interest:**

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and effective interest rate applicable.

#### **2.11 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.





## 2.12 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 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.

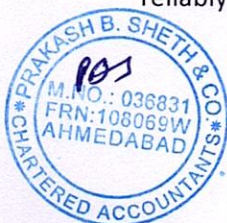
### c) Presentation of current and deferred tax:

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/ expense are recognized 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 recognized amounts and where it intends either to settle on a net basis, or to realize 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.

## 2.13 Provision:

The Company recognizes 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 recognized as a finance cost.

**2.14 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 Director.

**2.15 Earnings per share:**

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

**2.16 Cash Flow Statement:**

Cash Flow Statement are 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.

**2.17 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 original maturity is three months or less and other short term highly liquid investments.

**2.18 Recent new Accounting Pronouncements:**

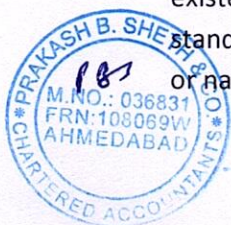
Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Group w.e.f. April 1, 2024. The Group has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

Further MCA has notified amendments to Ind AS 21- the effects of Changes in Foreign Exchange Rates, with respect to lake of exchangeability and this will be applicable to the Company for reporting period beginning on or after April 1, 2025.

**2.19 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, there were no subsequent event to be reported.





**PSP PROJECTS & PROACTIVE CONSTRUCTIONS PRIVATE LIMITED**  
**BALANCE SHEET AS AT MARCH 31, 2025**

(Rs. in Lakhs)

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
<b>ASSETS</b>			
<b>(1) Non - current Assets</b>			
(a) Property, Plant and Equipment	3	24.23	-
(b) Financial Assets			
Other Financial Assets	4	0.48	0.48
(c) Deferred Tax Asset (Net)	5	111.46	107.23
<b>Total Non-current Assets</b>		<b>136.17</b>	<b>107.71</b>
<b>(2) Current Assets</b>			
(a) Inventories	6	136.80	180.52
(b) Financial Assets			
(i) Trade Receivables	7	182.25	960.94
(ii) Cash and Cash Equivalents	8	5.51	196.30
(iii) Other Financial Assets	4	852.44	22.41
(c) Other Current Assets	9	344.65	329.09
<b>Total Current Assets</b>		<b>1,521.65</b>	<b>1,689.26</b>
<b>Total Assets</b>		<b>1,657.82</b>	<b>1,796.97</b>
<b>EQUITY AND LIABILITIES</b>			
<b>(1) Equity</b>			
(a) Equity Share Capital	10	500.00	500.00
(b) Other Equity	11	(471.39)	(470.88)
<b>Total Equity</b>		<b>28.61</b>	<b>29.12</b>
<b>LIABILITIES</b>			
<b>(2) Current Liabilities</b>			
(a) Financial Liabilities			
(i) Trade Payables	12		
- Total outstanding dues of micro enterprises and small enterprises		145.50	17.42
- Total outstanding dues of creditors other than micro enterprises and small enterprises		537.46	660.01
(ii) Other Financial Liabilities	13	0.82	102.85
(b) Other Current Liabilities	14	945.43	987.57
<b>Total Current Liabilities</b>		<b>1,629.21</b>	<b>1,767.85</b>
<b>Total Liabilities</b>		<b>1,629.21</b>	<b>1,767.85</b>
<b>Total Equity and Liabilities</b>		<b>1,657.82</b>	<b>1,796.97</b>

The Notes on Account form Integral part of the Financial Statements 1 to 35 (As per our report of even date)

For, Prakash B. Sheth & Co.  
Chartered Accountants  
ICAI Firm Reg. No. -108069W

Prakash B. Sheth  
Proprietor  
Membership No.- 036831  
Place : Ahmedabad  
Date : May 21, 2025



For and on behalf of the Board of Directors

Prahalad S. Patel  
Director  
(DIN: 00037633)

Shilpaben P. Patel  
Director  
(DIN: 02261534)  
Place : Ahmedabad  
Date : May 21, 2025



**PSP PROJECTS & PROACTIVE CONSTRUCTIONS PRIVATE LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2025**

(Rs. in Lakhs)

Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
I Revenue From Operations	15	5,244.73	5,125.99
II Other Income	16	10.27	1.46
III Total Income (I+II)		<u>5,255.00</u>	<u>5,127.45</u>
<b>IV EXPENSES</b>			
Cost of Construction Material Consumed	17	1,662.64	2,878.65
Changes in Inventories of Work-In-Progress	18	25.25	(7.20)
Construction Expenses	19	3,560.38	2,370.53
Finance Cost	20	0.05	6.39
Depreciation and Amortization Expense	21	0.02	-
Other Expenses	22	11.39	2.86
Total Expenses (IV)		<u>5,259.73</u>	<u>5,251.23</u>
V Profit/(Loss) Before Tax (III-IV)		<u>(4.73)</u>	<u>(123.78)</u>
VI Tax Expense:			
(a) Current Tax	24	-	-
(b) Deferred Tax	24	(4.22)	(31.14)
VII Profit/(Loss) for the year (V-VI)		<u>(0.51)</u>	<u>(92.64)</u>
VIII Other Comprehensive Income / (Expense)			
Items that will not be reclassified to profit or loss			
- Remeasurement expenses of Defined benefit plans		-	-
- Income tax expenses		-	-
Total Other Comprehensive Income/(Expense)		-	-
IX (VIII(A) + VIII(B))		-	-
X Total Comprehensive Income/(Expense) for the year (VII+IX)		<u>(0.51)</u>	<u>(92.64)</u>
XI Earnings per equity share of face value of Rs. 10/- each:			
Basic	23	(0.01)	(1.85)
Diluted	23	(0.01)	(1.85)

The Notes on Account form Integral part of the Financial Statements 1 to 35 (As per our report of even date)

For Prakash B. Sheth & Co.

Chartered Accountants

ICAI Firm Reg. No. -108069W

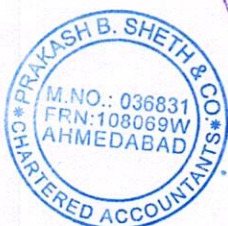
Prakash B. Sheth

Proprietor

Membership No.- 036831

Place : Ahmedabad

Date : May 21, 2025



For and on behalf of the Board of Directors

Prahaladbhai S. Patel

Director

(DIN: 00037633)

Shilpaben P. Patel

Director

(DIN: 02261534)

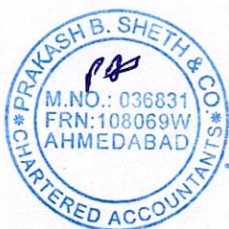
Place : Ahmedabad

Date : May 21, 2025



**PSP PROJECTS & PROACTIVE CONSTRUCTIONS PRIVATE LIMITED**  
**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2025**

Particulars	(Rs. in Lakhs)	
	As at March 31, 2025	As at March 31, 2024
<b>A Cash flow from operating activities</b>		
Profit/ (Loss) before tax	(4.73)	(123.78)
<b>Adjustments for :</b>		
Depreciation and amortisation expense	0.02	-
Interest Income	(10.25)	(1.46)
<b>Operating Profit/(Loss) before working capital changes</b>	<b>(14.96)</b>	<b>(125.24)</b>
<b>Movements in working capital:</b>		
(Increase)/Decrease in Inventories	43.72	(31.81)
(Increase)/Decrease in trade receivable	778.69	(855.03)
(Increase)/Decrease in other assets	(845.59)	454.43
Increase/(Decrease) in trade payables	5.53	462.92
Increase /(decrease) in other liabilities	(144.17)	363.38
<b>Cash generated from operations:</b>	<b>(176.78)</b>	<b>268.65</b>
Direct taxes paid (net)	-	-
<b>Net cash generated / (used) from operating activities (A)</b>	<b>(176.78)</b>	<b>268.65</b>
<b>B Cash flows from investing activities</b>		
Payment for property, plant and equipment (PPE)	(24.26)	-
Interest received	10.25	1.46
<b>Net cash generated / (used) in Investing activities (B)</b>	<b>(14.01)</b>	<b>1.46</b>
<b>C Cash flow from financing activities :</b>		
Proceeds from / (Repayment) current borrowings	-	(100.00)
Interest paid	-	-
<b>Net cash generated / (used) in Financing activities (C)</b>	<b>-</b>	<b>(100.00)</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS [(A) + (B) + (C)]</b>	<b>(190.79)</b>	<b>170.11</b>
<b>Add: Cash and cash equivalents as at beginning of the year</b>	<b>196.30</b>	<b>26.19</b>
<b>Cash and Cash Equivalents as at the end of the year</b>	<b>5.51</b>	<b>196.30</b>





**PSP PROJECTS & PROACTIVE CONSTRUCTIONS PRIVATE LIMITED**

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2025**

**Note to Cash Flow Statement :**

1 The above Cash Flow Statement has been prepared under the 'Indirect method' as set out in the Ind AS - 7 Statement of Cash Flow.

**2 Cash And Cash Equivalents comprises of:**

(Rs. In Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Cash on hand	0.21	0.93
Balances with banks		
In current accounts	5.30	195.37
<b>CASH AND CASH EQUIVALENTS AS PER NOTE 8</b>	<b>5.51</b>	<b>196.30</b>
<b>CASH AND CASH EQUIVALENTS AS PER CASH FLOW STATEMENT</b>	<b>5.51</b>	<b>196.30</b>

**3 Disclosure as required by Ind AS 7**

**Reconciliation of liabilities arising from financing activities**

**As at March 31, 2025**

(Rs. in Lakhs)

Particulars	Opening Balance	Cash Flows	Non Cash Changes	Closing Balance
Current Borrowings	-	-	-	-
<b>Total liabilities from financing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**As at March 31, 2024**

(Rs. in Lakhs)

Particulars	Opening Balance	Cash Flows	Non Cash Changes	Closing Balance
Current Borrowings	100.00	(100.00)	-	-
<b>Total liabilities from financing activities</b>	<b>100.00</b>	<b>(100.00)</b>	<b>-</b>	<b>-</b>

The Notes on Account form Integral part of the Financial Statements 1 to 35 (As per our report of even date)

For Prakash B. Sheth & Co.

Chartered Accountants

ICAI Firm Reg. No. -108069W

Prakash B. Sheth

Proprietor

Membership No.- 036831

Place : Ahmedabad

Date : May 21, 2025



For and on behalf of the Board of Directors

*(Signature)*

**Prahaladbhai S. Patel**

Director

(DIN: 00037633)

*(Signature)*  
**Shilpaben P. Patel**

Director

(DIN: 02261534)

Place : Ahmedabad

Date : May 21, 2025



PSP PROJECTS & PROACTIVE CONSTRUCTIONS PRIVATE LIMITED  
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2025

a. Equity Share Capital:

(Rs. in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	500.00	500.00
Changes in Equity Share Capital due to prior period errors	-	-
Restated Balance at the beginning of the year	500.00	500.00
Changes in equity share capital during the year	-	-
Balance at the end of the year	500.00	500.00

b. Other Equity:

(Rs. in Lakhs)

Particulars	Reserves and Surplus			Total
	General Reserve	Securities Premium	Retained Earnings	
Balance as at March 31, 2023	-	-	(378.24)	(378.24)
Changes in Other equity due to prior period errors	-	-	-	-
Restated Balance as at March 31, 2023 (A)	-	-	(378.24)	(378.24)
Additions during the year:				
Loss for the year	-	-	(92.64)	(92.64)
Total Comprehensive Expense for the year 2023-24 (B)	-	-	(92.64)	(92.64)
Balance as at March 31, 2024 (C) = (A) + (B)	-	-	(470.88)	(470.88)
Changes in Other equity due to prior period errors	-	-	-	-
Restated Balance as at March 31, 2024 (D)	-	-	(470.88)	(470.88)
Additions during the year:				
Loss for the year	-	-	(0.51)	(0.51)
Total Comprehensive Expense for the year 2024-25 (E)	-	-	(0.51)	(0.51)
Balance as at March 31, 2025 (F) = (D) + (E)	-	-	(471.39)	(471.39)

The Notes on Account form Integral part of the Financial Statements 1 to 35 (As per our report of even date)

For Prakash B. Sheth & Co.

Chartered Accountants

ICAI Firm Reg. No. -108069W

Prakash B. Sheth

Proprietor

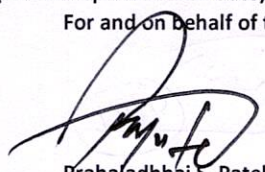
Membership No.- 036831

Place : Ahmedabad

Date : May 21, 2025



For and on behalf of the Board of Directors

  
Prahaladbhai S. Patel  
Director  
(DIN: 00037633)

Shilpaben P. Patel

Director

(DIN: 02261534)

Place : Ahmedabad

Date : May 21, 2025



**PSP PROJECTS & PROACTIVE CONSTRUCTIONS PRIVATE LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

**3 Property, Plant and Equipment**

(Rs. in Lakhs)

Particulars	Plant & Equipment	Total
<b>Gross Carrying amount</b>		
As at March 31, 2023	-	-
Additions	-	-
Deductions / Disposals	-	-
As at March 31, 2024	-	-
Additions	24.25	24.25
Deductions / Disposals	-	-
As at March 31, 2025	24.25	24.25
<b>Accumulated depreciation</b>		
As at March 31, 2023	-	-
Additions	-	-
Deductions / Disposals	-	-
As at March 31, 2024	-	-
Additions	0.02	0.02
Deductions / Disposals	-	-
As at March 31, 2025	0.02	0.02
<b>Net carrying amount</b>		
As at March 31, 2025	24.23	24.23
As at March 31, 2024	-	-





PSP PROJECTS & PROACTIVE CONSTRUCTIONS PRIVATE LIMITED  
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

4 Other Financial Assets		(Rs. in Lakhs)	
Particulars	As at March 31, 2025	As at March 31, 2024	
<b>Non - current</b>			
Unsecured, considered good			
Security deposits	0.48	0.48	
<b>Total</b>	<b>0.48</b>	<b>0.48</b>	
<b>Current</b>			
Unsecured, considered good			
Other Current deposits	70.06	0.20	
<b>Contract Assets</b>			
Retention money receivable from customer	69.87	-	
Amount due from customer (Unbilled Revenue)	712.51	22.21	
<b>Total</b>	<b>852.44</b>	<b>22.41</b>	

5 Deferred Tax Assets (Net)		(Rs. in Lakhs)	
Particulars	As at March 31, 2025	As at March 31, 2024	
Deferred Tax Asset (Net)	111.46	107.23	
<b>Total</b>	<b>111.46</b>	<b>107.23</b>	

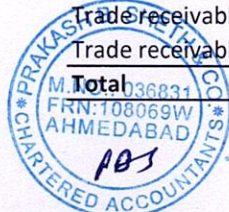
Reconciliation of Deferred tax asset/(liabilities):		(Rs. in Lakhs)	
Particulars	As at March 31, 2025	As at March 31, 2024	
<b>Opening balance</b>			
Losses Brought Forward	107.23	76.10	
<b>Total</b>	<b>107.23</b>	<b>76.10</b>	
<b>Recognised in Profit or loss</b>			
Losses Brought Forward	4.22	31.14	
<b>Total</b>	<b>4.22</b>	<b>31.14</b>	
<b>Closing balance</b>			
Losses Brought Forward	111.46	107.23	
<b>Total</b>	<b>111.46</b>	<b>107.23</b>	

6 Inventories		(Rs. in Lakhs)	
Particulars	As at March 31, 2025	As at March 31, 2024	
Construction Materials	136.80	155.27	
Work in Progress	-	25.25	
<b>Total</b>	<b>136.80</b>	<b>180.52</b>	

The cost of inventories recognised as an expense during the year is disclosed in Note No. 17 & 18)

7 Trade Receivables		(Rs. in Lakhs)	
Particulars	As at March 31, 2025	As at March 31, 2024	
From others - Unsecured	182.25	960.94	
<b>Total</b>	<b>182.25</b>	<b>960.94</b>	

Break up of security details		(Rs. in Lakhs)	
Particulars	As at March 31, 2025	As at March 31, 2024	
Trade receivables considered good - secured	-	-	
Trade receivables considered good - unsecured	182.25	960.94	
Trade receivables which have significant increase in credit risk	-	-	
Trade receivables - credit impaired	-	-	
<b>Total</b>	<b>182.25</b>	<b>960.94</b>	





**PSP PROJECTS & PROACTIVE CONSTRUCTIONS PRIVATE LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

**7 Trade Receivables**

- (i) General payment terms include mobilisation advance, monthly progress payments with a credit period ranging from 30 to 60 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. There are no significant financing components in the payments terms with customers. Also, no interest is payable by the customers for the delay in payments of the amounts over due. The Company evaluates, the financial health, market reputation, credit rating of the customer, before entering into the contract. The company's customers mainly comprise of private entities.

**(ii) Trade Receivable ageing:**

**As at March 31, 2025**

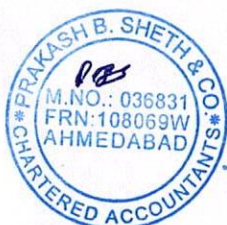
**(Rs. in Lakhs)**

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	0-6 Months	6-12 Months	1-2 Years	2-3 Years	Above 3 Year	
(i) Undisputed Trade Receivable- Considered Good	177.14	-	5.11	-	-	-	182.25
(ii) Undisputed Trade Receivable – Which have significant increase in Credit Risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivable – Credit Impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivable – Considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivable – Which have significant increase in Credit Risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivable – Credit Impaired	-	-	-	-	-	-	-
<b>Grand Total</b>	<b>177.14</b>	<b>-</b>	<b>5.11</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>182.25</b>
Less:- Impairment allowance for Trade Receivables-Credit Impaired							-
<b>Total Current Trade Receivable</b>							<b>182.25</b>

**As at March 31, 2024**

**(Rs. in Lakhs)**

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	0-6 Months	6-12 Months	1-2 Years	2-3 Years	Above 3 Year	
(i) Undisputed Trade Receivable- Considered Good	960.94	-	-	-	-	-	960.94
(ii) Undisputed Trade Receivable – Which have significant increase in Credit Risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivable – Credit Impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivable – Considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivable – Which have significant increase in Credit Risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivable – Credit Impaired	-	-	-	-	-	-	-
<b>Grand Total</b>	<b>960.94</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>960.94</b>
Less:- Impairment allowance for Trade Receivables-Credit Impaired							-
<b>Total Current Trade Receivable</b>							<b>960.94</b>





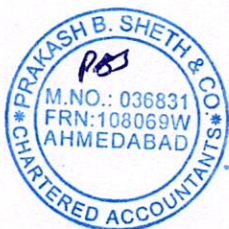
PSP PROJECTS & PROACTIVE CONSTRUCTIONS PRIVATE LIMITED  
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

8 Cash and Bank Balances (Rs. in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Cash and Cash Equivalents</b>		
Cash on Hand	0.21	0.93
<b>Balances with banks</b>		
In current accounts	5.30	195.37
<b>Total</b>	<b>5.51</b>	<b>196.30</b>

9 Other Current Assets (Rs. in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Current</b>		
<b>Unsecured, considered good</b>		
Advances to Vendors	1.33	6.21
Balance with Government Authorities	316.80	320.22
Site Establishment Cost	26.00	-
Prepaid Expenses	0.52	2.66
<b>Total</b>	<b>344.65</b>	<b>329.09</b>





10 Equity Share Capital

(Rs. in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Authorised Equity Share Capital</b>		
50,00,000 (previous year - 50,00,000 ) Equity Shares of Rs. 10 each	500.00	500.00
	<b>500.00</b>	<b>500.00</b>
<b>Issued, Subscribed and Paid up capital</b>		
50,00,000 (previous year - 50,00,000 ) Equity Shares of Rs. 10 each fully paid up	500.00	500.00
	<b>500.00</b>	<b>500.00</b>

(a) Reconciliation of shares outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of Shares	Rs. in Lakhs	No. of Shares	Rs. in Lakhs
At the beginning of the year	50,00,000	500.00	50,00,000	500.00
Add: Shares Issued during the year	-	-	-	-
At the end of the year	50,00,000	500.00	50,00,000	500.00

(b) Terms and Rights attached to each class of shares;

- The Company has only one class of equity shares having par value of Rs. 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, 2025		As at March 31, 2024	
	No. of shares	%	No. of shares	%
PSP PROJECTS LIMITED	50,00,000	100.00%	50,00,000	100.00%

(d) Equity shares held by Promoters

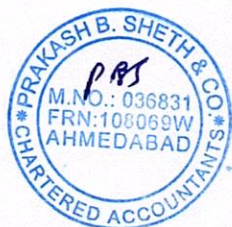
Name of the Shareholders	As at March 31, 2025		As at March 31, 2024		% Change during the year
	No. of shares	%	No. of shares	%	
PSP PROJECTS LIMITED	50,00,000	100.00%	50,00,000	100.00%	0.00%

Name of the Shareholders	As at March 31, 2024		As at March 31, 2023		% Change during the year
	No. of shares	%	No. of shares	%	
PSP PROJECTS LIMITED	50,00,000	100.00%	50,00,000	100.00%	0.00%

11 Other equity

(Rs. in Lakhs)

Particulars	Reserves and Surplus			Total
	General Reserve	Securities Premium	Retained Earnings	
Balance as at March 31, 2023 (A)	-	-	(378.24)	(378.24)
Additions during the year:	-	-	-	-
Loss for the year	-	-	(92.64)	(92.64)
Total Comprehensive Expense for the year 2023-24 (B)	-	-	(92.64)	(92.64)
Balance as at March 31, 2024 (C) = (A) + (B)	-	-	(470.88)	(470.88)
Additions during the year:	-	-	-	-
Loss for the year	-	-	(0.51)	(0.51)
Total Comprehensive Expense for the year 2024-25 (D)	-	-	(0.51)	(0.51)
Balance as at March 31, 2025 (E) = (C) + (D)	-	-	(471.39)	(471.39)





PSP PROJECTS & PROACTIVE CONSTRUCTIONS PRIVATE LIMITED  
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

12 Trade Payables

(Rs. in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro enterprises and small enterprises	145.50	17.42
Total outstanding dues of creditors other than micro enterprises and small enterprises		
Due to Related Parties (Refer Note No. 27)	196.49	361.59
Trade Payables-Others	340.97	298.42
<b>Total</b>	<b>682.96</b>	<b>677.43</b>





PSP PROJECTS & PROACTIVE CONSTRUCTIONS PRIVATE LIMITED  
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

12 Trade Payables

Trade Payables ageing:

As at March 31, 2025

(Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Not Due	0-1 Year	1-2 Year	2-3 Year	More than 3 Years	Total
(i) Due to MSME	145.50	-	-	-	-	145.50
(ii) Due to Other	501.50	35.85	0.11	-	-	537.46
(iii) Disputed dues-MSME	-	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-	-
<b>Total</b>	<b>647.00</b>	<b>35.85</b>	<b>0.11</b>	<b>-</b>	<b>-</b>	<b>682.96</b>

As at March 31, 2024

(Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Not Due	0-1 Year	1-2 Year	2-3 Year	More than 3 Years	Total
(i) Due to MSME	17.42	-	-	-	-	17.42
(ii) Due to Other	465.43	194.58	-	-	-	660.01
(iii) Disputed dues-MSME	-	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-	-
<b>Total</b>	<b>482.85</b>	<b>194.58</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>677.43</b>





PSP PROJECTS & PROACTIVE CONSTRUCTIONS PRIVATE LIMITED  
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

13 Other Financial Liabilities

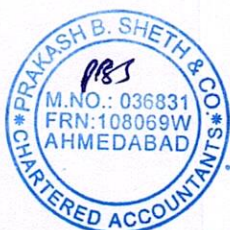
(Rs. in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Other Financial Liabilities	0.82	102.85
<b>Total</b>	<b>0.82</b>	<b>102.85</b>

14 Other Current Liabilities

(Rs. in Lakhs)

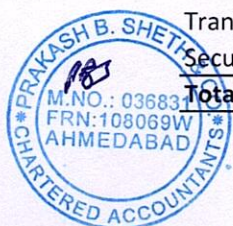
Particulars	As at March 31, 2025	As at March 31, 2024
Statutory Payables	12.42	29.69
<b>Contract Liabilities</b>		
Advance received from Customers	203.16	-
Amount due to customers	513.76	928.23
Mobilisation Advance received from Customers	216.09	29.65
<b>Total</b>	<b>945.43</b>	<b>987.57</b>





**PSP PROJECTS & PROACTIVE CONSTRUCTIONS PRIVATE LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

<b>15</b>	<b>Revenue from Operations</b>	<b>(Rs. in Lakhs)</b>	
	<b>Particulars</b>	<b>Year ended March 31, 2025</b>	<b>Year ended March 31, 2024</b>
	Revenue from Contracts with Customers (Refer Note No. 28)	4,958.23	5,119.32
	Other Operating Revenue	286.50	6.67
	<b>Total</b>	<b>5,244.73</b>	<b>5,125.99</b>
<b>16</b>	<b>Other Income</b>	<b>(Rs. in Lakhs)</b>	
	<b>Particulars</b>	<b>Year ended March 31, 2025</b>	<b>Year ended March 31, 2024</b>
	<b>Interest Income</b>		
	On Fixed Deposits	-	1.46
	Interest on IT Refund	10.25	-
	<b>Total</b>	<b>10.27</b>	<b>1.46</b>
<b>17</b>	<b>Cost of Construction Material Consumed</b>	<b>(Rs. in Lakhs)</b>	
	<b>Particulars</b>	<b>Year ended March 31, 2025</b>	<b>Year ended March 31, 2024</b>
	Opening Stock	155.27	130.66
	Add: Purchases	1,644.17	2,903.26
		1,799.44	3,033.92
	Less: Closing Stock	136.80	155.27
	<b>Total</b>	<b>1,662.64</b>	<b>2,878.65</b>
<b>18</b>	<b>Changes in inventories of Work-In-Progress:</b>	<b>(Rs. in Lakhs)</b>	
	<b>Particulars</b>	<b>Year ended March 31, 2025</b>	<b>Year ended March 31, 2024</b>
	<b>Inventories at the end of the year:</b>		
	Work In Progress	-	25.25
		-	<b>25.25</b>
	<b>Inventories at the beginning of the year:</b>		
	Work In Progress	25.25	18.05
		<b>25.25</b>	<b>18.05</b>
	<b>Net (increase) / decrease in Inventories</b>	<b>25.25</b>	<b>(7.20)</b>
<b>19</b>	<b>Construction Expenses</b>	<b>(Rs. in Lakhs)</b>	
	<b>Particulars</b>	<b>Year ended March 31, 2025</b>	<b>Year ended March 31, 2024</b>
	Labour expenses	2,734.00	2,010.99
	Sub-Contracting Expenses	630.62	-
	Stores, spares and other consumables	11.05	14.39
	Power and Fuel	6.52	12.76
	Site Expenses	3.56	2.61
	Machinery Rent	133.40	271.83
	Insurance	5.78	2.50
	<b>Repairs &amp; Maintenance:</b>		
	Machineries	-	0.10
	Transportation expenses	15.17	48.43
	Security Expenses	20.28	6.92
	<b>Total</b>	<b>3,560.38</b>	<b>2,370.53</b>





**PSP PROJECTS & PROACTIVE CONSTRUCTIONS PRIVATE LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

**20 Finance costs (Rs. in Lakhs)**

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
<b>Interest costs:</b>		
Interest on Others	0.03	6.36
Other Borrowing costs	0.02	0.03
<b>Total</b>	<b>0.05</b>	<b>6.39</b>

**21 Depreciation and Amortization Expense (Rs. in Lakhs)**

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation expenses	0.02	-
<b>Total</b>	<b>0.02</b>	<b>-</b>

**22 Other Expenses (Rs. in Lakhs)**

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Rent	0.96	0.35
Rates and Taxes	0.04	0.04
Electricity expenses	7.71	-
Printing and Stationery expenses	0.55	0.49
Communication expenses	0.10	0.04
Auditor's Remuneration (Refer note below)	0.49	0.45
Legal and Professional expenses	1.19	0.39
Travelling & Conveyance	0.33	0.21
Advertisement expenses	-	0.85
Miscellaneous Expenses	0.02	0.04
<b>Total</b>	<b>11.39</b>	<b>2.86</b>

**22.1 Remuneration to Auditors**

**Payment to Statutory Auditors**

For Audit Fees	0.33	0.33
For Taxation Matters	0.16	0.12
<b>Total</b>	<b>0.49</b>	<b>0.45</b>



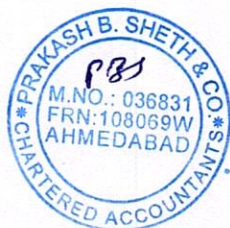


PSP PROJECTS & PROACTIVE CONSTRUCTIONS PRIVATE LIMITED  
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

23 Earnings per share (EPS)

Particulars	Unit	Year Ended March 31, 2025	Year Ended March 31, 2024
(i) Net Profit/(Loss ) after Tax attributable to holders of the Company	Rs. In Lakhs	(0.51)	(92.64)
(ii) Weighted average number of shares outstanding during the year	In Nos.	50,00,000	50,00,000
(iii) Basic and Diluted Earnings Per Share ((i)/(ii))*	In Rs.	(0.01)	(1.85)

\*The Company did not have any potentially dilutive securities in any of the periods presented.





PSP PROJECTS & PROACTIVE CONSTRUCTIONS PRIVATE LIMITED  
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

24 Tax Expense

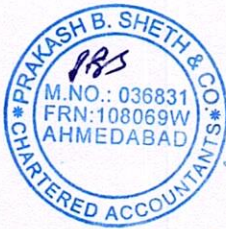
(a) Amounts recognised in profit and loss

(Rs. in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Deferred Tax Expense		
Origination and reversal of temporary differences	(4.22)	(31.14)
Tax Expense recognised in the income statement	(4.22)	(31.14)

(b) Reconciliation of effective tax rate

Particulars	Year ended March 31, 2025		Year ended March 31, 2024	
	%	Amount	%	Amount
Profit/(Loss) Before Tax		(4.73)		(123.78)
Tax using the Company's domestic tax rate	25.170%	(1.19)	25.170%	(31.16)
Tax effect of:				
Others	-1.34%	(3.03)	0.01%	0.02
Effective income tax rate / income tax expense	23.83%	(4.22)	25.18%	(31.14)





**PSP PROJECTS & PROACTIVE CONSTRUCTIONS PRIVATE LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

**25 Fair value measurement hierarchy:**

(Rs. in Lakhs)

Particulars	As at March 31, 2025						
	Carrying amount	Amortised Cost	FVTOCI	FVTPL	Level of input used in		
					Level 1	Level 2	Level 3
<b>Financial assets</b>							
Trade receivables	182.25	182.25	-	-	-	-	-
Cash and cash equivalents and Other Bank Balances	5.51	5.51	-	-	-	-	-
Other financial assets	852.92	852.92	-	-	-	-	-
	<b>1,040.68</b>	<b>1,040.68</b>	-	-	-	-	-
<b>Financial liabilities</b>							
Trade payables	682.96	682.96	-	-	-	-	-
Other Financial liabilities	0.82	0.82	-	-	-	-	-
	<b>683.78</b>	<b>683.78</b>	-	-	-	-	-

(Rs. in Lakhs)

Particulars	As at March 31, 2024						
	Carrying amount	Amortised Cost	FVTOCI	FVTPL	Level of input used in		
					Level 1	Level 2	Level 3
<b>Financial assets</b>							
Trade receivables	960.94	960.94	-	-	-	-	-
Cash and cash equivalents and Other Bank Balances	196.30	196.30	-	-	-	-	-
Other financial assets	22.89	22.89	-	-	-	-	-
	<b>1,180.13</b>	<b>1,180.13</b>	-	-	-	-	-
<b>Financial liabilities</b>							
Trade payables	677.43	677.43	-	-	-	-	-
Other Financial liabilities	102.85	102.85	-	-	-	-	-
	<b>780.28</b>	<b>780.28</b>	-	-	-	-	-

**Fair value of financial assets and financial liabilities measured at amortised cost.**

The carrying amounts of trade receivables, loans, advances, cash and cash equivalents, bank balances and other financial assets 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 payables and other financial liabilities are considered to be the same as their fair values due to their short term nature. The carrying amounts of borrowings with floating rate of interest are considered to be close to fair value.





**PSP PROJECTS & PROACTIVE CONSTRUCTIONS PRIVATE LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

**26 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 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 Company has exposure to the following risks arising from financial instruments:

- A) Credit risk;
- B) Liquidity risk; and
- C) Market risk;

**A. Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty fails to meet its contractual obligations.

**Trade receivables**

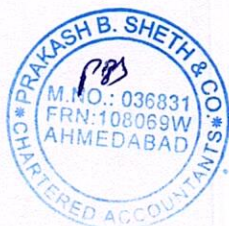
Concentrations of credit risk with respect to trade receivables are limited, due to the customer base being large, diverse and across sectors. All trade receivables are reviewed and assessed for default on a quarterly basis.

Historical experience of collecting receivables of the Company is supported by low level of past default and hence the credit risk is perceived to be low.

Financial Assets are considered to be of good quality and there is no significant increase in credit risk.

**Other financial assets**

The Company maintains exposure in cash and cash equivalents and term deposits with banks. Credit limits and concentration of exposures are actively monitored by the finance department of the company.





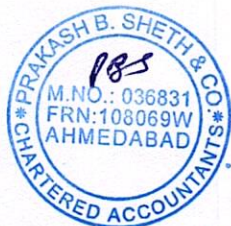
**PSP PROJECTS & PROACTIVE CONSTRUCTIONS PRIVATE LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

**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, 2025					(Rs. in Lakhs)
Particulars	Note No.	Carrying Amount	Less than 12 months	More than 12 months	Total
Trade Payables	12	682.96	682.96	-	682.96
Other Financial Liabilities	13	0.82	0.82	-	0.82
<b>Total</b>		<b>683.78</b>	<b>683.78</b>	<b>-</b>	<b>683.78</b>

As at March 31, 2024					(Rs. in Lakhs)
Particulars	Note No.	Carrying Amount	Less than 12 months	More than 12 months	Total
Trade Payables	12	677.43	677.43	-	677.43
Other Financial Liabilities	13	102.85	102.85	-	102.85
<b>Total</b>		<b>780.28</b>	<b>780.28</b>	<b>-</b>	<b>780.28</b>





**PSP PROJECTS & PROACTIVE CONSTRUCTIONS PRIVATE LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

**C Market risk**

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – 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.





PSP PROJECTS & PROACTIVE CONSTRUCTIONS PRIVATE LIMITED  
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

27 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) Related parties where control exists

Name of the entity	Type
PSP Projects Limited	Holding Company

(b) Key Management Personnel and Relatives

Name of the Key Management Personnel	Status
Prahaladbhai S. Patel	Director
Shilpaben P. Patel	Director

(c) Entities controlled by Holding Company/Directors/Relatives of Directors:

Name of the Entities		
PSP Properties LLP	M/s. A P Constructions	Shilp Products LLP
PSP Foundation	M/s. GDCL and PSP Joint Venture	M/s. Adishwaram Innovative LLP

(ii) Transactions with related parties:

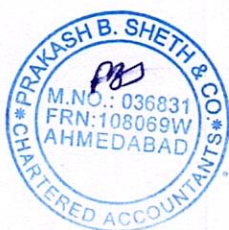
Particulars	(Rs. in Lakhs)	
	For the year ended on March 31, 2025	For the year ended on March 31, 2024
<b>Purchase of Concrete Mix / Material</b>		
PSP Projects Limited	322.76	434.54
Shilp Products LLP	56.78	0.88
M/s. Adishwaram Innovative LLP	5.43	19.83
<b>Sales of Concrete Mix / Material</b>		
PSP Projects Limited	182.79	-
<b>Purchase of Assets</b>		
Shilp Products LLP	24.26	-
<b>Receipt of Services</b>		
PSP Projects Limited	376.71	258.82
M/s. A P Constructions	752.48	994.04
<b>Interest Expenses</b>		
PSP Projects Limited	-	6.27
<b>Rendering of Services</b>		
PSP Projects Limited	-	0.72
<b>Loan Repaid to Holding Co.</b>		
PSP Projects Limited	-	100.00

(iii) Outstanding balances arising from sales/purchases of goods/services with related Parties:

Particulars	(Rs. in Lakhs)	
	As at March 31, 2025	As at March 31, 2024
<b>Trade Payables</b>		
PSP Projects Limited	-	258.71
Shilp Products LLP	94.97	0.03
M/s. Adishwaram Innovative LLP	-	(4.01)
M/s. A P Constructions	101.52	102.86

(iv) Terms and conditions

Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.





28 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.

(Rs. in Lakhs)		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
India	4,958.23	5,119.32

(b) In the following table, revenue from contracts with customers is disaggregated by primary geographical area.

(Rs. in Lakhs)		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Government*	-	-
Non-Government	4,958.23	5,119.32
<b>Total</b>	<b>4,958.23</b>	<b>5,119.32</b>

\*Government customer includes central government, state government, union territories, a local authority, a government authority or a government entities if any.

(c) Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers:

(Rs. in Lakhs)		
Particulars	As at March 31, 2025	As at March 31, 2024
Trade Receivables (Refer Note No.7)	182.25	960.94
<b>Contract assets</b>		
Retention money receivable from customers (Refer Note No.4)	69.87	-
Amount due from customers (Refer Note No.4)	712.51	22.21
<b>Contract liabilities</b>		
Advance received from Customers (Refer Note No.14)	203.16	-
Amount due to customers (Refer Note No.14)	513.76	928.23

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.

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 :

(Rs. in Lakhs)		
Particulars	2024-25	2023-24
<b>Due from contract customers</b>		
At the beginning of the reporting period	22.21	-
Add: Cost incurred plus attributable profits on contracts-in-progress	1,126.33	453.78
Less: Progressive billings made towards contracts-in-progress	436.03	431.57
<b>At the end of the reporting period</b>	<b>712.51</b>	<b>22.21</b>

(Rs. in Lakhs)		
Particulars	2024-25	2023-24
<b>Due to contract customers</b>		
At the beginning of the reporting period	(928.23)	-
Add: Cost incurred plus attributable profits on contracts-in-progress	2,997.69	1,212.79
Less: Progressive billings made towards contracts-in-progress	2,583.22	2,141.02
<b>At the end of the reporting period</b>	<b>(513.76)</b>	<b>(928.23)</b>

Movement in Contract Balances during the year:

(Rs. in Lakhs)						
Particulars	2024-25			2023-24		
	Contract Asset (A)	Contract Liability (B)	Net Contract Balance (A-B)	Contract Asset (A)	Contract Liability (B)	Net Contract Balance (A-B)
Balances as at April 1	22.21	928.23	(906.02)	-	-	-
Balances as at March 31	712.51	513.76	198.75	22.21	928.23	(906.02)
Net Increase / (Decrease)	690.30	(414.47)	1,104.77	22.21	928.23	(906.02)

Note:

(i) Increase in Net Contract Balance is primarily due to higher revenue recognition as compared to progress bills raised in current year, while less revenue recognition as compared to progress bills raised in previous year.





(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 March 31, 2025 is Rs. 11,773 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 2 years is as follows :

(Rs. in Lakhs)		
Particulars	Mar-26	Mar-27
Contract revenue	5,886.50	5,886.50

(e) Reconciliation of revenue recognised in the Statement of Profit and Loss with contracted price:

(Rs. in Lakhs)		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Contract price of the revenue recognised	4,958.23	5,119.32
Add : Performance Bonus	-	-
Add : Incentives	-	-
Less : Liquidated damages	-	-
Revenue recognised in the statement of Profit and Loss	4,958.23	5,119.32

(f) Out of the total revenue recognised under Ind AS 115 during the year, Rs. 4,958.53 lakhs (Year 2023-24: Rs. 5,119.32 lakhs) is recognised over a period of time.

29 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.

(Rs. in Lakhs)			
Sr.No.	Particulars	As at March 31, 2025	As at March 31, 2024
a)	(i) Principal amount remaining unpaid to supplier under the MSMED Act 2006	145.50	17.42
	(ii) Interest on a) (i) above	-	-
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	-	-
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	-	-

Amounts unpaid to micro and small enterprises on account of retention money has not been considered for the purpose of interest calculations.

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

30 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 construction project activities as only responsible segment in accordance with the requirements of Ind AS 108 operating segment.

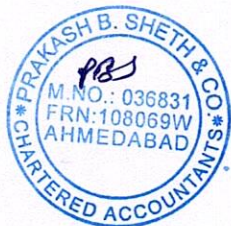




**PSP PROJECTS & PROACTIVE CONSTRUCTIONS PRIVATE LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

**31 Ratio Analysis:**

Sr. No.	Ratios	Numerator	Denominator	As at March 31, 2025	As at March 31, 2024
1	Current Ratio (times)	Current Assets	Current Liabilities	0.93	0.96
2	Return on Equity Ratio (%)	Net Profit After Tax	Average Total Equity	-1.78%	-122.80%
3	Inventory Turnover Ratio (times)	Cost of Goods Sold	Average Inventory	10.64	17.44
4	Trade Receivable Turnover Ratio (times)	Revenue from Operations	Average Trade Receivables	9.18	9.61
5	Trade Payables Turnover Ratio (times)	Cost of Goods Sold	Average Trade Payable	7.72	11.75
6	Net Capital Turnover Ratio (times)	Revenue from Operations	Average Working Capital	(56.35)	(309.63)
7	Net Profit Ratio (%)	Net Profit After Tax	Revenue from Operations	-0.01%	-1.81%
8	Return on Capital Employed (%)	Earning Before Interest & Taxes	Average Capital Employed (Total Equity + Long term Borrowings)	-52.28%	-408.14%
9	Return on Investment (%)	Net Profit After Tax	Average total assets	-0.03%	-6.26%
	(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				





**32 Code on Social Security**

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020. The Company will assess the impact and its evaluation once the subject rules are notified. The Company will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

**33 Events after the reporting period**

The Company Evaluate events and transactions that occur subsequent to the balance sheet date but prior to the approval of the financial statement to determine the necessity for recognition and reporting of any of these events and transactions in the financial statements as of May 21, 2025 other than those disclosed and adjusted elsewhere in these financial statements, there were no subsequent event to be reported.


**34 Approval of Financial Statements:**

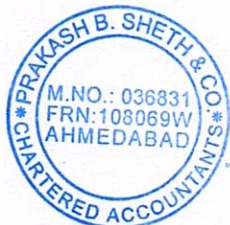
The financial statements are approved for issue by the Board of Directors at their meetings held on May 21, 2025.

**35 Statutory Information / Compliance:**

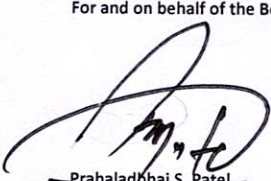
- (i) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 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 Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (iv) The Company do not have any transactions with companies struck off.
- (v) 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.
- (vi) The Company has not entered with any Scheme(s) of arrangement in terms of sections 230 to 237 of the Companies Act, 2013.
- (vii) 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.
- (viii) The Company has been maintaining its books of accounts in the SAP which has feature of recording audit trail of each and every transactions, creating an edit log of each change made in books of account along with the data when such changes were made and ensuring that the audit trail cannot be disabled, throughout the year as required by proviso to sub rule (1) of rule 3 of The Companies (Accounts) Rules, 2014 known as the Companies (Accounts) Amendment Rules, 2021. The Company has preserved Audit trail as per statutory requirements for record retention.


In terms of our report attached  
For Prakash B. Sheth & Co.  
Chartered Accountants  
ICAI Firm Reg. No. -108069W

  
Prakash B. Sheth  
Proprietor  
Membership No.- 036831  
Place : Ahmedabad  
Date : May 21, 2025



For and on behalf of the Board of Directors

  
Prabaladkhai S. Patel  
Director  
(DIN: 00037633)

  
Shilpaben P. Patel  
Director  
(DIN: 02261534)  
Place : Ahmedabad  
Date : May 21, 2025