

Building a sustainable legacy!



Table of content

02-07

Corporate overview

Our business	02
Historical financial highlights	03
Business appraisal by the Chairman	04
Discussion with the management	06

08-57

Statutory report

Corporate Information	08
Directors' Report	09
Management's Discussion and Analysis	32
Corporate Governance Report	40

58-151

Financial statements

Standalone financials	58
Consolidated financials	106

Report scope

Our 2020-21 Annual Report aims to offer a comprehensive view of our performance for the financial year ending 31 March 2021, with a cover design that affirms our tagline of "Building a sustainable legacy". It conveys our view of an opportunity-filled future where infrastructure will be key for economic revitalisation.

Forward-looking statements

Certain statements in this report may be regarded as forward-looking statements or forecasts, but do not represent an earnings forecast or guarantee. Actual results and outcomes may differ materially from those expressed in or implied by these statements. All forward-looking statements are based solely on the views and considerations of the management.



Read this report online

The online version of our Company's Annual Report 2020-21 is available on our corporate website: www.rppi.com

Building a sustainable legacy!

In this challenging environment triggered by the Covid-19 pandemic, we adopted measures and initiatives from a position of strength and saw the crisis as an opportunity for growth, embracing innovations-driven transformation, enhancing competitiveness and fortifying our team to re-strategise new ways of doing things to ensure holistic sustainability.

Going forward, we believe our growth trajectory is anchored on sound fundamentals. Our diligence, integrity and persistent focus on sound business practices provide a solid foundation for our continued delivery of value in the long-term. Thus, we are positioned well to emerge stronger and believe that the best is yet to come.



Driving performance, preserving value



Vision

To be a global leader in the construction and infrastructure industry by continuously moving forward. To have international standards by adopting latest technologies, ideas and systems by creating quality-minded employees to deliver to client expectations.



Mission

- To perform exceptionally well in all aspects in the industry by providing innovative, reliable and high-quality services to our clients
- To develop highly trained and loyal employees who work as a team to anticipate, identify and respond to client needs



Business identity

RPP Infra Projects is a specialist infrastructure development Company diversified across projects in fast-growing spaces, such as industrial and buildings, infrastructure, and water supply and irrigation. As a prudent strategy, the Company takes up short to medium-tenure contracts backed by secured funding, which results in quicker project completion, faster equipment and manpower rotation and timely payment receipts.

Over

26 years

of business experience

More than

150

projects executed

Order book of

3,113 cr

Employee count of over

200

Historical financial highlights (Rs. in cr, unless otherwise stated)

	2020-21	2019-20	2018-19	2017-18	2016-17
Income from operations	477.90	575.69	580.69	499.13	366.34
Total income	489.10	585.31	589.39	505.47	369.45
EBIDTA	47.22	64.63	70.66	72.40	53.35
Interest	18.95	22.68	23.24	18.57	16.71
Depreciation	6.11	7.16	6.38	6.79	5.04
Tax	6.62	15.49	16.70	33.56	7.69
Net profit	15.53	19.30	24.35	13.48	23.91
Equity share capital	23.65	22.60	22.60	22.60	22.60
Networth	267.81	236.17	215.72	193.67	173.50
Gross fixed assets	94.94	96.99	89.92	62.88	58.61
Net fixed assets	46.99	51.83	51.74	30.23	32.22
Total assets	618.25	569.07	595.46	512.13	458.01
Book value per share (Rs.)	113.24	104.50	95.45	85.69	76.77
Turnover per share (Rs.)	20.20	25.47	25.69	22.08	16.21
Earnings per share (Rs.)	0.66	0.85	1.08	0.60	1.06
EBIDTA/Gross turnover (%)	0.10	0.11	0.12	0.14	0.14
ROCE (%)	0.14	0.22	0.26	0.35	0.28

Business appraisal by the Chairman

Driving performance, delivering value



Your Company continues to have a strong order book, which at the end of the financial year 2020-21 stood at Rs. 3,113 crore, as compared to Rs. 2,018 crore in 2019-20.



- P. Arulsundaram

Dear shareholders,

It gives me great pleasure to present the 26th Annual Report and annual performance of the Company for the financial year 2020-21.

Hope you are in good health, staying safe and practicing precaution.

Over the past year we have witnessed a pandemic crisis of the kind not seen in generations. Many people have suffered, including the loss of loved ones. From March 2020, due to the spread of Covid-19, it led to nationwide lockdown till June 2020. The restrictions thereafter continued for a fairly long time at various places, coupled with local lockdown and restrictions on travel. These restrictions severely impacted the life of individuals, the economy of the nation and the world as a whole.

Things were looking up and under control in the beginning of calendar year 2021, returning to normalcy. Yet, the second wave of the pandemic struck, affecting both life and the economy - from March till June

2021. Even at the local level, restrictions continue at various places till now.

During the pandemic, your Company took a number of initiatives and efforts to help and support people from underprivileged economic conditions, like daily-wagers and outside labourers.

During the unlock phase of the second wave, restrictions and guidelines laid down by the Government are still in force and things are far from normal. We are continuing to witness the new normal and the very concept of normal is getting re-defined every day.

The Government has taken vaccination at a great pace and it is a matter of appreciation to see the speed at which it is being implemented. Still, the challenge remains due to new variants being reported from various places across the globe. We also hear the challenges faced by many countries worldwide, including the developed ones. However, we hope that nationwide

vaccination will reduce the effectiveness of the virus and hope for early vaccination for children below the age of 18 years.

The Indian economy has been severely impacted in 2020-21. GDP growth was negative during the year, contracting by 7.3%. The first two quarters of the financial year were extreme, with negative GDP growth of 24.4% and 4%, respectively. It was only the third quarter where GDP witnessed a marginal positive growth of 0.4%, with the last quarter growing by 1.6%. Industrial activity also contracted during financial year 2020-21.

Last year, the Government announced multiple interventions to fuel the economy, like reduction in corporate tax rates, scheme to provide one-time partial credit guarantee, recapitalisation of public sector banks, relaxation of external commercial borrowing guidelines for affordable housing, setting up of a realty fund for stalled housing projects, merger of 10 public sector banks, etc.

The Government has also come up with multiple assistance schemes during the pandemic across the economic, fiscal and compliance segments. Further, in the last budget and during the recent times, the Government has renewed its thrust on infrastructure and housing. The speed at which various infrastructure works are being executed would have a cascading effect on the economy. The year 2020-21 also witnessed a major change in the monetary policy and the repo rate, which was cut from 4.40% in April 2020 to 4% in February 2021 as the economy was expecting a contraction in GDP during 2020-21.

In the Union Budget 2021, the Government has given a massive push to the infrastructure sector by allocating Rs. 233,083 crore (US\$ 32.02 billion) to enhance transport infrastructure. The Government also expanded the National Infrastructure Pipeline to 7,400 projects. Around 217 projects worth Rs. 1.10 lakh crore (US\$ 15.09 billion) were completed as of 2020-21.

With various initiatives and reforms of the Government and India's innate strengths, we feel that the economy is expected to make an impressive comeback from the next quarter. The IMF has forecasted GDP growth of above 9.5% for 2021-22 and we are also positive about the future.

Your Company continues to have a strong order book, which at the end of the financial year 2020-21 stood at Rs. 3,113 crore, as compared to Rs. 2,018 crore in 2019-20. The Company has been awarded various new projects in the financial year 2020-21, including in joint ventures. However, challenges remain, including those pertaining to liquidity and execution due to the continued impact and uncertainties created by the pandemic. Fortunately, your Company's contracts are from the Government, which is the safest customer and provides business stability even in the most challenging times. Further, given the importance laid by the Government on the infrastructure sector owing to it being a catalyst of growth, we expect that the Company would also stand to benefit, even as we look forward to a turnaround and improved performance by financial year 2021-22.

Business review

Your Company reported a mixed set of performance, with drop in revenue by 16.99% during 2020-21 and reduced profitability owing to the severe impact caused by lockdowns and mobility restrictions in the first two quarters. However, your Company achieved reasonable performance in the third quarter, which further improved in the last quarter of the financial year. However, with a strong order book, we are positive about the current financial year, though a part of the first and second quarter performance of 2021-22 was impacted by the second wave.

The networth of your Company increased to Rs. 267.81 crore as on 31st March 2021, as compared to Rs. 236.17 crore as on 31st March 2020. This was also owing to infusion of capital through preferential allotment.

On standalone basis, your Company's total revenue declined to Rs. 489.10 crore in 2020-21, vs. Rs. 585.31 crore in 2019-20. Total cost moderated to Rs. 466.94 crore in 2020-21, as against Rs. 550.52 crore in 2019-20. EBITDA for 2020-21 stood at Rs. 47.22 crore, as compared to Rs. 64.63 crore in 2019-20. Profit after tax stood at Rs. 15.53 crore, as compared to Rs. 19.30 crore in 2019-20.

On a consolidated basis, revenue stood at Rs. 524.33 crore in 2020-21, as compared to Rs. 607.96 crore in 2019-20. Total consolidated expenses stood at Rs. 502.21 crore in 2020-21, as against Rs. 574.31 crore in 2019-20. Profit after tax stood at Rs. 15.50 crore, as compared to Rs. 18.16 crore in 2019-20.

Your Company requires long-term resources to meet additional working capital requirements. Thus, your Company made preferential allotment of Rs. 36 crore in the last financial year and is proposing to have a rights issue in compliance with SEBI regulations of up to Rs. 48 crore.

Your Board has discussed the prevalent economic situation vis-à-vis the Company's fund requirements and have decided to conserve resources to meet the requirements and maintain liquidity. Accordingly, the Board has decided against the recommendation of dividend for the financial year ending 31st March 2021.

The Company continues to have a diversified presence in highways, roads and bridges and civil construction in water management, irrigation and power projects. The Company continues to be driven by the strategy of small and mid-sized Government projects with short tenure and its superior project execution capabilities provide strong revenue visibility. Further, fast turnaround remains to be the core principle of the Company.

Outlook

The Covid-19 pandemic and its fallout has made it difficult to forecast the future and timeline for normalcy with any degree of certainty. The second wave in May 2021 and new virus variants have created an unstable and cautious approach. However, we are hopeful that increase in vaccination and various efforts by the State and Central Government will boost the economy, thereby ensuring pick up in economic and business activity.

Your Company is positive about 2021-22. The country's GDP is expected to be around 9.5% for the year, as per the estimations of IMF, and we believe the vaccination drive will substantially lower the health and economic risks.

Your Company's total revenues in the first quarter of June 2021 was Rs. 121.79 crore, as compared to Rs. 74.45 crore in the June 2020 quarter. This was in spite of the second wave. We hope to continue to perform better every quarter and are committed to it.

Further, your Company is also hopeful that increased focus of the Government on infrastructure, along with the Company's robust execution capabilities linked to its emphasis on Government projects, would yield better results in the coming years.


In closing, I would like to thank all our customers, vendors and other stakeholders for the confidence and trust reposed in the Company. I acknowledge and thank Board members and employees for their invaluable support. This confidence continues to motivate us to outperform every year.

Thank you.

P. Arulsundaram

Discussion with the management



With proper labour management becoming a central part of our operational focus, we provided food and shelter to all who remained at our project sites during the closure period. 

- A. Nithya



Q. What was the operating environment like in 2020-21?

A. A once-in-a-lifetime crisis hit the global and Indian economy in 2020-21. The Covid-19 pandemic reached every corner of the globe and has impacted millions of people worldwide. Governments around the world responded rapidly to stem the health and economic impacts of the crisis. The responses however entailed difficult choices between saving lives and livelihoods, between speed of delivery and efficiency, and between short-term costs and long-term impacts. World gross domestic product fell by an estimated 4.3% in 2020, the sharpest contraction of global output since the great depression. Operating conditions in India were similar to what other companies and businesses faced worldwide in terms of stringent lockdowns that enforced a virtual standstill, with the result that construction at our sites had to face a temporary freeze, with re-mobilisation of the labour workforce being a challenge that we overcame successfully.

Q. How did we respond to the shutdowns triggered by the pandemic and subsequent lockdown release?

A. The Covid-19 pandemic and the commencement of the national lockdown starting from 26 March 2020 required a re-focused and concerted approach to our corporate strategy for the 2021 financial year. Thus, our short-term focus shifted to understanding the potential impacts of the pandemic on our people and our operations and to adopt stringent health and safety precautions on a prioritised basis.

With proper labour management becoming a central part of our operational focus, we provided food and shelter to all who remained at our project sites during the closure period, which comprised about 3-5 months. It is to the credit of our teams that we were able to successfully manage our workforce and keep them productively occupied in skill development and in ensuring personal hygiene and wellness, etc.

Furthermore, as part of our focus on relief efforts to the society to help alleviate the impact of the pandemic, we donated material and manpower to build an emergency 400-bed hospital within a compressed period of 45 days, a feat that was recognised in the Elite World Records, Asian Records Academy, India Records Academy and Tamilian Book of Records as the largest hospital building constructed by pre-cast concrete technology in the shortest period.

As lockdown restrictions eased, which led to progressive resumption of economic activity, our proactive management of the impacts of Covid-19 during the early stages of the 2021 financial year allowed us to shift our focus back to operationalising our sites and resuming work, all the while embracing all safety and health protocols.

Q. What safeguards did the Company take to protect from the negative impacts of Covid-19?

A. Like most other businesses, we focused on optimising our establishment expenses, which is foundational as it will help us yield sustainable cost savings down the years. Furthermore, we also focused on controlling our debt profile and strengthening our balance sheet by way of acquiring mobilisation advance from our customers, which is interest-free and helps in circumventing the need for the Company to invest upfront capital, which also leads to its release. While inflationary pressures did show up in the second half of the year, we focused on operational optimisation, bulk

procurements, payment re-negotiations, etc., to offset the challenges to some extent in a bid to protect our margins.

Q. What was our one key strategy during the year?

A. While there were several, the one stand-out strategic initiative was our emphasis on the effective and maximised utilisation of our machinery and manpower. Thus, we focused our attention on roads and highway projects, which enabled us to minimise the idling of costly and specialised machinery acquired in 2019-20. Moreover, we also continued to remain on the path of our time-tested strategy of execution of contracts backed by secure government/institutional funding.

Q. Please highlight the major projects bagged during the year?

A. We bagged 9 major projects during the year, which is reasonable considering that almost 25% of the year was in the shadow of the lockdown. Some of the key projects bagged included the upgradation of the Kanchipuram-Arakkonam-Thiruthani road section on EPC basis in Tamil Nadu worth over Rs. 359 cr, upgradation of the Cuddalore-Madapattu road section on EPC basis in Tamil Nadu comprising about Rs. 231 cr, upgradation of the Malliyakarai-Rasipuram-Tiruchengode in Tamil Nadu on EPC basis and maintenance of the entire road stretch, constituting over Rs. 199 cr, construction of integrated storm water drainage at the Kosasthalaiyar basin in the

extended areas of the Greater Chennai Corporation comprising Rs. 144 cr, etc. The project profile was relatively balanced across our three major divisions.

Q. What are the strategies the Company expects to take to emerge stronger in the post-pandemic world?

A. Our specialist experience and understanding of infrastructure development, including our ability to navigate through the challenges and complexities will position us well for the future. Besides, clients are showing preference for infrastructure players with a demonstrated track record in timely project completion, which again makes RPP well-placed for the future. Overall, we will continue with our focus on timely completion of our contracts, thus ensuring on-time payment receipts and hence building our liquidity and capital buffers. Our focus continues to be guided by our prioritised intent of creating value for our shareholders over the long-term.



Corporate Information

Board of Directors

Mr. P Arulsundaram, Chairman & Managing Director

Mrs. A Nithya, Whole-time Director & CFO

Mr. P R Sundararajan, Independent Director

Mr. P Muralidasan, Non-Executive Director

Mr. K Rangasamy, Independent Director

Mr. R Kalaimony, Independent Director

Audit Committee

Mr. K Rangasamy, Chairman

Mr. P R Sundararajan

Mr. P Muralidasan

Nomination and Remuneration Committee

Mr. P R Sundararajan, Chairman

Mr. K Rangasamy

Mr. P Muralidasan

Stakeholders' Relationship Committee

Mr. P Muralidasan, Chairman

Mr. P R Sundararajan

Mrs. A Nithya

Corporate Social Responsibility Committee

Mr. P R Sundararajan, Chairman

Mr. P Muralidasan

Mrs. A Nithya

Legal and Finance Committee

Mr. P R Sundararajan, Chairman

Mr. P Muralidasan

Mrs. A Nithya

Share Allotment Committee

Mr. P Arulsundaram

Mrs. A Nithya

Mr. K Rangasamy

Rights Issue Committee

Mrs. A Nithya

Mr. K Rangasamy

Mr. P Muralidasan

Company Secretary

Mr. Pradeep Kumar Nath

Registered Office

S F No. 454, Raghupathyaikeni Palayam,

Railway Colony Post, Poondurai Road,

Erode - 638 002. Tamil Nadu.

Bankers

Indian Overseas Bank

Bank of India

IDBI Bank

EXIM Bank

Statutory Auditors

S. N. Duraiswamy

7 Kandappa Lane, opp Brough Road,

Telephone Bhawan, near Iswaraiyaa

Hotel, Erode-638001.

Internal Auditors

M/s. Karthikeyan & Jayaram

'Sri Towers', 30 Bharathidasan Street,

Teachers Colony, Erode – 638011.

Cost Auditor

Mr. R Gopal

34, Meenakshi Kalyana Mandapam Street,

Varnapuram, Bhavani, Erode – 638302.

Secretarial Auditor

BGS Mishra & Associates,

Company Secretaries LLP

C-4, # 108, 2nd Floor,

RM Towers, Chamiers Road,

Teynampet, Chennai- 600 018.

Registrar & Share Transfer Agent

M/s. Cameo Corporate Services Limited

Subramanian Building, No.1 Club House Road,

Chennai – 600002.

Listed At

National Stock Exchange of India Limited

Symbol: RPPINFRA

Series: EQ

BSE Limited

Scrip Code: 533284

Scrip ID: RPPINFRA

Website

www.rppiopl.com

Directors' Report

Dear Members,

Your Directors take pleasure in presenting their 26th Annual Report on the business and operations of the Company, together with the Audited Statement of Accounts for the year ended 31st March 2021.

1. Financial Highlights (Standalone and Consolidated)

During the year under review, the performance of your Company's standalone and consolidated results are as under:

Particulars	Standalone		Consolidated	
	For the year ended 31st March 2021	For the year ended 31st March 2020	For the year ended 31st March 2021	For the year ended 31st March 2020
Turnover	477.90	575.69	513.11	600.02
Profit/(Loss) before taxation	22.16	34.79	22.12	33.65
Less: Tax expense	6.62	15.49	6.62	15.50
Profit/(Loss) after tax	15.53	19.30	15.50	18.16
Add: Balance B/F from the previous year	171.54	151.09	180.89	158.99
Balance Profit / (Loss) C/F to the next year	187.08	171.54	189.54	180.89

(₹ In Crores)

2. Operations and Performance Review

Your Company's performance has been severely impacted in FY2020-21 due to the impact of the Covid-19 pandemic, which has resulted in the reduction of revenue and profit, as compared to FY2019-20.

The onset of the pandemic, subsequent restrictions and stringent lockdowns from the beginning of April 2020 impacted the operations and performance for the 1st and 2nd quarters of FY 2020-21. The operations of the Company started to get back on track in the 3rd and 4th quarters, leading to growing normalisation of performance. However, the operations of the Company was again effected due to the second wave, which has adversely impacted revenue and profit in the 1st quarter of FY2021-22.

Your Company has taken many initiatives for relief in Covid-19 pandemic and also raised awareness and sensitisation. The Company has also taken steps for vaccination of the staff and workers. Further, the Company has ensured that its project sites and office establishments are working with the necessary safety and hygiene protocols. Further, your Company ensures compliance of instructions and guidelines of local authorities.

Standalone Results

During the year under review, revenue from operations decreased to Rs. 477.90 crore from Rs. 575.69 crore in the previous year, reflecting decrease of 16.99%.

Profit after tax stood at Rs. 15.53 crore as against Rs. 19.30 crore in the previous year. The Company's net worth increased to Rs. 267.81 crore as on 31st March 2021, as compared to Rs. 236.17 crore as on

31st March 2020. The increase in net worth is also owing to increase in the equity capital and share premium received on allotment of equity shares.

Consolidated Results

Consolidated revenues for the year under review were Rs. 513.11 crore, as against Rs. 600.02 crore in the previous year, recording a decrease of 14.48% from the last year. Consolidated profit after tax was Rs. 15.50 crore against Rs. 18.16 crore in the previous year. The Company's consolidated net worth increased to Rs. 286.46 crore as on 31st March 2021 from Rs. 261.72 crore as on 31st March 2020. The increase in net worth is also because of increase in the equity capital and share premium received on allotment of equity shares.

In accordance with the Accounting Standard AS-21 on consolidated financial statements, the audited consolidated financial statements are also provided along with standalone financial statement in the Annual report.

3. Company's Affairs and Future Outlook

The operations and revenue of the Company at the end of the financial year stood severely affected due to the Covid-19 pandemic. The Company was on the path of achieving better performance as compared to the last financial year; however, lockdowns and mobility restrictions during the period resulted in abrupt and unplanned stoppage of work at sites, which substantially impacted the financial performance and profitability during the first three quarters of FY 2020-21.

The coronavirus pandemic has deeply impacted the growth potential of the Indian economy, which recorded a negative growth



of 7.3% in FY2020-21.

The Company has kept its focus on the identified area to retain its momentum even during the challenging time. The Company continues to have an optimum mix of projects, which imparts stability and growth both in terms of the revenue and margins.

During FY2020-21, your Company had order inflows of around Rs. 2,147 crore and the total order book size in hand as on 31st March, 2021 was Rs. 3,113.25 crore.

Your Company has received the following major contracts during FY2020-21 and till the date of this report:

- Improvements to Chalakudy-Anamala Road (SH 21), BC overlay from Ch. 56/000 - 78/175 and providing BM & BC from Ch. 78/175 - 88/403 in Thrissur District (Kerala Road Fund Board)
- Construction of multi-storied office cum shopping complex and 36 residential flats under self-financing scheme at EVN Road, Periyar Nagar, Erode (Tamil Nadu Housing Board)
- Smart Road at Sakthi Theatre Road in Ward No-8 for a length of 1.265 in Tiruppur Smart City Under Smart City Mission
- Smart Road at Andipalayam Office Junction to Parapalayam Main Road in Ward No-59 for a length of 1.150 km under Tiruppur Smart City Under Smart City Mission
- Smart Road at Gandhiji Main Road in Ward No-60 for a length of 0.530 KM, Smart Road at Kumaran Main Road in Ward No-60 for a length of 0.620 KM, Smart Road at S.R. Nagar South 60ft Road in Ward No-60 for a length of 0.550 KM in Tiruppur Smart City Under Smart City Limited
- Smart Road at S.R. Nagar North Pillayar Kovil Street in Ward No- 60 for a length of 0.450 KM, Smart Road at Karuppa Goundanpalayam Road in Ward No- 52 for a length of 1.060 KM Tiruppur Smart City Under Smart City Mission
- Smart Road at Kallangadu Road in Ward No-52 for a length of 0.970 KM, Smart Road at Subash School to Murugampalayam Main Road Junction in Ward No-58 for a length of 0.235 KM in Tiruppur Smart City Under Smart City Limited
- Development of sea port terminal at swaraj Dweep (Havelock Island) in Andaman & Nicobar Islands (Ministry of Shipping Andaman Lakshadweep Harbour Works, Port Blair)
- Construction of PEB structural sheds along with associated civil works for construction of POL terminal at Dharmapuri, VDPL Project (Hindustan Petroleum Corporation Limited)
- Construction of multi-storied office cum commercial complex in S. No. 4/1 & 8/1 part of Urur Village, Besant Nagar, Velachery Taluk, Chennai District, and construction of office cum commercial complex in S.No. 72/1, 2 (part) of Thiruvanmiyur Village, Velachery Taluk, Chennai District.(Tamil Nadu Housing Board)
- Planting saplings along the Cooum River banks under Integrated Cooum River Eco-restoration Project for a length of 60 km (30 km on both banks from river mouth to Paruthipattu) (Chennai Rivers Restoration Trust)
- Upgrading Cuddalore–Madapattu Section of SH 09 (Km 3+000 to Km 41+910) from km 3+000 to 21+100 and Km 28+500 to 41+910 to two-lane with paved shoulders and construction of one bypass of 5.850 km from km 22+650 to 28+500 and maintenance of entire project stretch of 37.36 km for 7 years (in Tamil Nadu on Engineering, Procurement and Construction Mode) (Chennai-Kanyakumari Industrial Corridor Project)
- Construction of integrated storm water drain in North Korattur lake watershed in Kosasthalaiyar basin in the extended areas of Greater Chennai Corporation
- Rehabilitation of irrigation infrastructures in G.A. Main Canal L.S. from 30.430 Km to 45.290 Km and G.A. No.4 Channel, G.A. No.5 Channel, G.A. No.5A Rear Channel and Neivasal and Thenpathy Branch Channels with Feeding Tanks in Papanasam and Orathanadu Taluks of Thanjavur District (Water Resources Department)
- Construction of a Protection Wall on the left bank of the Kollidam River near Akkarai Jeyankondapattinam in Chidambaram Taluk in Cuddalore District (Water Resources Department)
- Strengthening and Widening (Four Lane) of Tirunelveli - Sengottai - Kollam Road of SH-39 from Km 5+000 to Km 27+700 (Tamil Nadu Road Sector Project)
- Extension, Renovation and Modernisation of Lower Bhavani Project Main canal from Mile 18-1-375 to 39-0-000 in Erode District (Water Resources Department)
- Construction of integrated storm water drain in Retteri South Surplus Watershed and Captain Cotton Canal Watershed of Kosasthalaiyar basin in the extended areas of Greater Chennai Corporation.
- Construction of integrated storm water drain in Puzhal Surplus North Watershed of Kosasthalaiyar basin in the extended areas of Greater Chennai Corporation.
- Upgrading of Malliyakarai-Rasipuram-Tiruchengode - Erode Road (SH 79) from km 83/350 to km 91/100 to Four lane with paved shoulders and Construction of Two Lane Elevated Corridor from Ch. 91/100 to Km 94/170 including Service road on either side and providing ramp to Sankagiri Pallipalayam Road from km 15/367 to km 15/700 (Design Chainage 0/000 to 0/333) and maintenance of entire project stretch of 11.153 km for a period of 7 years“(in the State of Tamil Nadu on

Engineering, Procurement and Construction (EPC) Mode

- Upgrading Kanchipuram – Arakkonam-Thiruthani Road section of SH-58 from km 66.940 to km 86.345, km103.260 to km 108.719 and construction of Arakkonam bypass from km 86.345 to km 103.260 (16.915km) to two (2) lane with paved shoulders for a total length of 41.779 km and maintenance of entire project stretch of 41.779 km for 7 years.
- Upgradation of Mohanur-Namakkal-Senthamangalam - Rasipuram Road (SH 95) from km 25/000 to km 54/000 (Design Ch. 25+065 to Ch. 56+565) to two lane with paved shoulders including construction of new bypasses at 5 locations and maintenance of entire project stretch of 31.500 km for 7 years.
- Jal Jeevan Mission for 2020-2021: CWSS to 442 Habitations in Modakurichi Union in Erode District.

Your Company has thus increased its order book and is looking forward for execution of the projects in hand. It is expected that FY 2021-22 will show improved performance.

The Government has continued its thrust on infrastructure development and spending. Of the total capital outlay provided in the budget estimates for FY2022, the infrastructure segment occupies a share of 48.56%. The details of the affairs of the Company and future outlook has also been provided at other places, including Management Discussion and Analysis Report forming part of this report.

4. Change in Nature of the Business

There was no change in the nature of the business of the Company and its subsidiaries during the year.

Sl No	Name of the Allottee	No. of Warrants Allotted	No. of Warrants Converted into Equity Shares	No. of Warrant Outstanding
1.	P. Arulsundaram	29,25,000	7,25,000	22,00,000
2.	A Nithya	10,75,000	3,25,000	7,50,000
Total		40,00,000	10,50,000	29,50,000

Warrants were allotted in compliance to the provisions of Companies Act, 2013 and SEBI (ICDR) Regulations, 2018. Company has already received listing and trading approval for 10,50,000 Equity Shares allotted on conversion of Warrants.

Rights Issue:

Your Company requires additional working capital to execute multiple projects. Your Company has, therefore, decided to raise a sum not exceeding Rs. 48 crore by way of an issue of equity shares to equity shareholders on Rights basis in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018. The Board has approved the same at its meeting dated 17th February 2021.

5. Dividend

Your Directors regret to inform that owing to reduction of profit during FY2020-21 and with a view to conserve resources and liquidity owing to requirements of additional funds for the projects of the Company, the Board has decided against recommendation of dividend for FY2020-21.

6. Transfer to Reserves

The Company has not transferred any amount to reserves during the year. All profit is carried forward in the P&L Account.

7. Share Capital

Paid-up Capital:

On July 14, 2020, the Company allotted 40,00,000 warrants to promoters at a price of ₹90 each, and each warrant is convertible into equity shares of the Company of ₹10 each at premium of ₹80 per share. The Company had received 25% of the aggregate consideration at the time of allotment and the remaining consideration is required to be paid and the option of conversion needs to be exercised by warrant-holder within a period of 18 months from the date of allotment. The Company, on 4th March 2021, allotted 10,50,000 fully paid-up equity shares of ₹10 each on conversion of 10,50,000 warrants on receipt of full consideration towards these warrants and exercise of option of conversion. Accordingly, 10,50,000 equity shares of ₹10 each would be deemed to have been allotted at a premium of ₹80 each. The allotted shares ranked pari-passu with the existing equity shares of our Company in all respects, including dividend. As on date of report, 29,50,000 warrants are outstanding for conversion into equity.

Details of warrants are as below:

Authorized Share Capital:

Your Company has decided to increase the authorized capital to Rs. 50 crore. The increase in authorized capital would require approval of members and the Company shall convene an Extraordinary General Meeting on September 13, 2021 to seek approval of shareholders of the Company.

8. Annual Return

The Annual Return to the extent can be filled up in the e-form MGT - 7 for FY2020-21 is provided on the Company's website at web-link <http://www.rppi.com/> and may be treated as part of the Board Report.



9. Board of Directors and Meetings of the Board

The Board is properly constituted with an appropriate mix of executive, non- executive and independent directors to maintain the independence of the Board and to separate the Board functions of governance and management.

The Board is constituted in compliance with Section 149 of the Companies Act, 2013 and Regulation 17 of SEBI (LODR) Regulations, 2015. The total strength of the Board comprised of six directors during financial year 2020-21. Board comprised of two executive promoter directors, one non-executive director and three independent directors, with one women director being part of during financial year 2020-21. The composition of the Board was

proper throughout the period as per Companies Act, 2013 and SEBI (LODR) Regulation, 2015. No changes took place in the Board during the financial year 2020-21 and till the date of report.

More details about the Board, including the profile of directors are provided in the Corporate Governance Report forming a part of the Board Report.

During the financial year 2020-21, eight Board meetings were held on 19th May 2020, 30th June 2020, 29th July 2020, 15th September 2020, 12th November 2020, 30th January 2021, 14th February 2021 and 17th February 2021.

The attendance of Directors in the Board meeting is provided below:

Name of the Director	Number of Meetings Held	Number of Meetings Entitled To Attend	Number of Meetings Attended
Mr. P Arulsundaram	8	8	8
Mrs. A Nithya	8	8	8
Mr. P Muralidasan	8	8	8
Mr. K Rangasamy	8	8	8
Mr. P R Sundararajan	8	8	8
Mr. R. Kalaimony	8	8	1

10. Loan, Guarantees and Investments under Section 186

During the financial year 2020-21, the Company has not made any investment, granted any loan or extended any guarantee or provided any security in connection with the loans to other companies.

Company has incorporated following joint venture in form of partnership for bidding various project and has also been awarded with the contract:

1. RPP RK JV
2. RPP Renaatus JV
3. RPP Dhanya JV
4. RPP Sathyamoorthy JV
5. RPP SMC JV
6. Renaatus RPP JV
7. P&C RPP JV

The present investment along with earlier investment is within the limit of Section 186 of the Companies Act 2013. Further, Company has not made any loan or guarantee or security or investment in subsidiaries including wholly owned subsidiaries or joint venture during FY2020-21.

Please refer to note no. 6 of Notes to Accounts for details of all investments made by the Company.

11. Contracts or Arrangements with Related Parties

The particulars of contracts or arrangements with related parties

referred to in Section 188(1) of the Companies Act, 2013, for the financial year 2020-21 in the prescribed format, AOC - 2 has been enclosed with this report as Annexure – 1.

The Company has entered into various bidding agreement during the financial year 2020-21 with few related party for making of bidding to various Government Departments. These all agreements have been in ordinary course of business and in arm's length basis as acceptable in this domain. Further, similar/ same terms and conditions has also been agreed in other agreement which are with non-related party. As per the bidding agreement, formal agreement needs to be entered on award of the work by the Government Department. These bidding are made with related party to meet out various pre-qualification/ qualification and other requirement as stated in the tender including techno-financial or financial qualifications.

Various contract has been awarded to these JVs based on bidding made and the Company has entered into agreement with these parties based on terms and conditions of the tender documents. Also, these JVs in certain cases have agreed for sub-contract to related party. These are also in similar terms as in case with unrelated party. Company has duly obtained the approval of Audit Committee/ Board for these agreement. Further, Company would be seeking approval of members for material related party transection as per SEBI LODR Regulation, 2015. However, all these contracts/ agreements are in ordinary course of business and at arm's length price and exempted from any approval under Companies Act, 2013.

12. Material Changes Affecting the Financial Position of the Company

There are no material changes affecting the financial position of the Company which have occurred between the end of the financial year of the Company, i.e. 31st March 2021 and till the date of the Directors' Report. However, the effect of the pandemic caused by Covid-19 has not been considered as it affects the general economy as much to the Company and beyond the control of the Company. Further, Covid-19 continues to affect the operations and business of the Company as it is supposed to comply with terms and conditions imposed at all its site.

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

Information as per Section 134 (3) (m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo has been enclosed with this report as Annexure – 2.

14. Subsidiaries, Joint Venture and Associate

The Company at the end of financial year has a total of six subsidiaries out of which four are wholly owned subsidiaries (WOS), one is step-down subsidiary and one company though subsidiary is in nature of joint venture. RPP Annai JV Private Limited has been incorporated as subsidiary as Company holds 51% in it but it is a joint venture company. Company also has one joint venture outside India namely R.P.P Infra Projects Myanmar Ltd, which has been incorporated in Myanmar under Myanmar Companies Act, 2017 and Company holds 49% in same.

Company has incorporated following joint venture partnership/ association of during the financial year 2020-21 to bid and take up various contract to meet the eligibility criteria in the tenders:

- i. RPP Dhanya JV
- ii. RPP Renaatus JV
- iii. RPP Sathyamoorthy JV
- iv. RPP SMC JV
- v. RPP RK JV
- vi. Renaatus –RPP JV
- vii. P&C RPP JV

Further, your Company from time to time enters into bid arrangement/ understanding for quoting for projects or undertaking projects under joint venture and they may be incorporated as company/ partnership/ association of persons in case of award/ allotment of project or otherwise as may be decided by the Company.

During the financial year, one of WOS namely R.P.P. Energy Systems Private Limited was divested. The entire stake of the WOS was sold

for a consideration of Rs. 3 Lakhs on 30th January 2021. The WOS from the date of its incorporation was a non-operative and was never material subsidiary of R.P.P. Infra Projects Limited.

A brief of the subsidiaries is provided below for your information.

R.P.P Infra Projects (Lanka) Limited, Sri Lanka

R.P.P Infra Projects (Lanka) Limited is a wholly owned subsidiary of your Company based in Sri Lanka. The Company, during 2014-15, successfully completed a housing project for the internally displaced people of Sri Lanka's Northern Province for which Hindustan Prefab Limited were the Project consultant.

The Company has not taken up any new project during the year under review and has no operating revenues during the financial year ended 31st March 2021. The Company recorded a net Profit of Rs. 0.00 Crore for the year ended 31st March 2021.

R.P.P Infra Overseas PLC, Mauritius

R.P.P Infra Overseas PLC is a wholly owned subsidiary of your Company based in Mauritius. The principal activity of the Company is to provide infrastructure project-related consultancy services and SPV for foreign investment.

The Company had no operating revenues during the financial year ended 31st March 2021. The company recorded a net loss of Rs.0.01 Crore.

Sanskar Dealcom Private Limited, India

Sanskar Dealcom Private Limited, a wholly owned subsidiary of your Company, is engaged in activities that includes being distributors, agents, traders, merchants, contractors, brokers and otherwise deal in merchandise and articles of all kinds including clearing agents, freight contractors, forwarding agents, licensing agents, general brokers and to carry any kind of commercial business.

The Company had no operational revenues during the year ended 31st March 2021 and had a very insignificant net loss for the year.

Greatful Mercantile Private Limited, India

Greatful Mercantile Private Limited, a wholly owned subsidiary of your Company, is engaged in activities that include being distributors, agents, traders, merchants, contractors, brokers and otherwise deal in merchandise and articles of all kinds including clearing agents, freight contractors, forwarding agents, licensing agents, general brokers and to carry any kind of commercial business.

The Company had no revenues from operations during the year ended 31st March 2021 and had a very insignificant net loss for the year.

Lunkar Finance Private Limited

Lunkar Finance Private Limited is a step-down subsidiary of your Company. Sanskar Dealcom Private Limited and Greatful Mercantile Private Limited holds the entire paid-up capital of this company and hence step-down subsidiary of your Company. It is a non-deposit



taking NBFC.

The Company had no operational revenues during the year ended 31st March 2021 and had a very insignificant net loss for the year.

The Board of Director at Meeting dated 1st June 2021 has decided to voluntarily surrender the Certificate of Registration (CoR) issued by the Reserve Bank of India (RBI) and same was intimated to RBI .

RPP-Annai (JV) Private Limited

RPP- Annai (JV) Private Limited has been incorporated on 10th July 2019 to execute a project in joint venture with Annai Infra Developers Limited. The entire paid up capital of this company is held in ratio of 51% and 49 % respectively between the company and joint venture partner.

The Company had operational revenues Rs. 35.22 Crores during the year ended 31st March 2021 and had net loss Rs.1.9 Lakhs for the year.

R.P.P Infra Projects Myanmar Ltd

RPP Infra Projects Myanmar Ltd is an associate of your Company and has been incorporated under Myanmar Companies Act, 2017 as a private limited by Shares. The Company had no operational revenues during the year ended 31st March 2021. The Company name has been changed to R.P.P Infra Projects Myanmar Ltd with effect from 21st February 2020.

The Company has kept the financial statements along with the audit reports of all these subsidiaries open for inspection at the registered office of the Company. Further, the Company will provide a copy of financial statements to any shareholder, who asks for it. Further, pursuant to Section 136 of the Act, the financial statement of the Company, consolidated financial statement along with the relevant documents and separate audited financial statements in respect of subsidiaries are available on the website of the Company.

As required under the Section 129(3) of Companies Act, 2013 and Regulation 34(2) of SEBI (LODR) Regulation, 2015, a consolidated financial statements along with Audit Report thereon of the Auditors forms a part of the financial statement. Further, statements pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014 containing the brief financials of the subsidiaries in form AOC-1 is attached with this report as Annexure – 3.

At present, none of the subsidiaries are material subsidiary. A copy of the policy determining 'material' subsidiaries has been hosted on the website of the Company at the weblink <http://www.rppi.com/>

15. Consolidation of Accounts

Your Company has prepared Consolidated Financial Statements as per Ind AS prescribed under Section 129 read along with Section 133 and prescribed rules of Companies Act, 2013. The Consolidated Financial Statements reflect the financial position of the Company

and Associates. As required by Regulation 34 of the SEBI (LODR) Regulations 2015, the Audited Consolidated Financial Statements together with the Independent Auditor's Report thereon are annexed and form part of this Annual Report.

16. Risk Management Policy

Risk management is an integral part of the business. The risk management process, inter alia, provides for a review of the risk assessment and mitigation procedures with timely reporting to the management and review of the identified risks at periodic intervals to assess the progress of control measures.

The Audit committee of the Board also oversees and serves as Risk Management Committee. The Board has also constituted a Risk Management Team. The Committee had formulated a Risk Management policy that outlines the different kinds of risks and risk mitigating measures. The major risks are reviewed for the change in their nature and extent since the last assessment. It also provides control measures for risks and future action plans. Your Board is satisfied that there are adequate systems and procedures in place to identify, assess, monitor and manage risks. The Company believes that the overall risk exposure of present and future risks remains within risk capacity.

The details about risk and its management is provided in detail appropriately in the report. The Risk Management Team works and makes report to Audit Committee. The policy and terms of reference have been provided in Corporate Governance Report forming part of the Directors Report.

17. Directors and Key Managerial Personnel

During the financial year 2020-21, you Board had six directors and no changes took place in composition of the Board during the year. Details including profile of Directors are provided in the Corporate Governance Report, which forms a part of the Board Report.

Half of the Board of the Company comprises of independent directors (ID) and the composition of the Board of Directors are in compliance with regulation 17(1)(b) of SEBI (Listing Obligations and Disclosure Obligations) Regulations 2015 and Section 149 of the Companies Act, 2013.

None of the directors are liable to retire by rotation at this Annual General Meeting.

As per the provisions of the Companies Act, 2013 and SEBI LODR Regulation, 2015 reappointment Mr K Rangasamy (DIN: 07103549) & Mr P R Sundararajan(DIN: 07647740) as Independent Directors for 2nd term of five years would be placed for approval of members by way of special resolution. The same has been duly approved by the Board of Directors based on the recommendation of Nomination and Remuneration Committee and being recommended for approval by Board. Brief resume and other details of the director

proposed to be re-appointed has been provided in Notice to the Annual General Meeting.

Board of Directors of the Company at its Meeting held on 30th June 2020 had appointed Mr. Pradeep Kumar Nath as a Company Secretary and Compliance Officer of the Company w.e.f. 30th June 2020 due to resignation of Mr. A. Karthiswaran from his post of Company Secretary & Compliance Office w.e.f. 29st June 2020.

18. Significant and Material Orders Passed by the Regulators, Courts or Tribunals

There are no significant material orders passed by the Regulators / Courts / Tribunals which impact the going concern status of the Company and its future operations.

19. Insurance

All insurable interest of the Company including, buildings, furniture and fixtures and other insurable interest are adequately insured.

20. Statement in Respect of adequacy of Internal Financial Control with Reference to the Financial Statements

Internal Controls

A robust system of internal control, commensurate with the size and nature of its business, forms an integral part of the Company's corporate governance policies. Internal Audit has been conducted by qualified external internal auditors. Findings of the internal auditor are reviewed by the management and the report of internal auditor is placed before the Audit Committee and proper follow-up action are ensured wherever required. The Statutory Auditors have evaluated the system of internal controls of the Company and have reported that the same are adequate and commensurate with the size of the Company and nature of its business.

Internal Financial Controls

As per Section 134(5) (e) of the Companies Act, 2013, the Directors have an overall responsibility for ensuring that the Company has implemented robust systems and frameworks of internal financial controls.

These include those policies and procedures that:

- i. Pertain to the maintenance of records which in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company
- ii. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of the financial statements in accordance with generally accepted accounting principles and that the receipts and expenditures are being made only in accordance with authorizations of the management and the Directors of the Company and
- iii. Provide reasonable assurance regarding prevention or timely

detection of unauthorized acquisition, use or disposition of assets that can have a material effect on the financial statements.

This provides the Directors reasonable assurance regarding the adequacy and operating effectiveness of controls with regards to reporting, operational and compliance risks to enable them to meet these responsibilities. The Company has devised appropriate systems and frameworks including proper delegation of authority, policies and procedures, effective IT systems aligned with business requirements, internal audit framework, risk management frameworks and whistle blower mechanism.

The Audit committee regularly reviews the internal control system to ensure that it remains effective and aligned with business requirements. Where weaknesses are identified as a result of the reviews, new procedures are put in place to strengthen controls and are in turn reviewed at regular intervals.

The Company has developed a framework for designing and assessing effectiveness of internal controls over financial reporting and has already laid down entity-level policies and process-level standard operating procedures.

The entity-level policies comprise anti-fraud policies (code of conduct including conflict of interest, confidentiality and whistle blower policy) and other policies (organization structure, roles and responsibilities, insider trading policy, related party policy, prevention of sexual harassment policy, risk management policy, policy for materiality of information or events and policy for preservation of documents). The Company has also prepared standard operating Practices for each of its processes of revenue to receive, procure to pay, hire to retire, finance and accounts, fixed assets, treasury, inventory, operations and administrative expenses.

The management assessed the effectiveness of the internal financial controls over financial reporting as of 31st March 2021 and the Board believes that the controls are adequate.

21. Deposits

The Company has not accepted any deposits from members or the public in terms of Section 73 or Section 76 of the Companies Act, 2013.

22. Declaration by Independent Directors

The Independent Directors have submitted the declaration of independence, stating that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 and SEBI LODR Regulations, 2015.

23. Receipt of any Commission by Managing Director/ Whole Time Director from the Company or Receipt of Commission/ Remuneration from Subsidiary



The Managing Director/Whole Time Director are not in receipt of any commission from the Company or any commission/ remuneration from any of subsidiaries.

24. Independent Auditor

The shareholders of the Company, at the Extraordinary General Meeting held on 12th June 2020 has appointed of Mr. Duraiswamy S N, Chartered Accountant bearing the membership No.026599 as Statutory Auditors of the Company due to casual vacancy of the Statutory Auditor in compliance to Section 139(8) of the companies Act, 2013.

Subsequently, Audit committee had considered appointment Mr. Duraiswamy S N, Chartered Accountant as statutory auditor for further four years to meet term of five years and had recommended the same to the Board for the Financial Year 2020-21 to 2023-24. Same approved by shareholder at last Annual general Meeting held on 29th October 2020.

25. Cost Auditor

As per the requirement of Section 148 of the Companies Act, 2013 the Board of Directors, on the recommendation of Audit Committee, has appointed Mr. R Gopal, Cost Accountant, as Cost Auditor to audit the cost accounts of the Company for the financial year 2020-21. As required under the Companies Act, 2013, a resolution seeking member's approval for ratification of the remuneration payable to the Cost Auditor forms part of the Notice to the Annual General Meeting.

Cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, are maintained by the Company. Cost Auditor has provided his report on the audit of cost records which has been duly filed with Registrar of Companies. There were no qualifications, reservations or adverse remarks made by the Cost Auditor in the Audit report of last financial year.

Further the Board of Directors, on the recommendation of Audit Committee, has appointed M/s S V M & ASSOCIATES, (Firm Regn: 000536) Cost Accountant Firm, as Cost Auditor to audit the cost accounts of the Company for the financial year 2021-22.

26. Secretarial Audit Report

As per the provisions of Section 204 of the Companies Act, 2013, the Board of Directors has appointed BGS MISHRA & Associates, Company Secretaries LLP as Secretarial Auditor to conduct the Secretarial Audit of the Company for the financial year ended on 31st March 2021.

The Secretarial Audit report issued by Mr. Gouri Shanker Mishra, Partner, BGS MISHRA & Associates, Company Secretaries LLP in form MR-3 pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014, has been enclosed with this report as

Annexure – 4.

No qualifications has been made by the Secretarial Auditor, however, certain observation has been made, which is explained in sequence as provided in his report as below:

1. Due to the restriction of work from home and lock down owing to the Covid-19 and delay in getting the appropriate documents signed and finalized, certain e-forms has not been filed within the prescribed period and Company is ensuring to file all documents and will ensure compliance with in time limit in future.
2. Company regularly makes bid for various tenders which require entering of pre-bid understanding to apply for tenders. In few cases the other party with whom the tenders are applied may be related party and pre-bid agreements are required to be immediately entered due to short time in quoting of tenders. On the allotment of the contract, agreement is entered by the party and Company is required to form joint venture partnership/ AOP. Since, in certain cases, time is very short, the Company has to enter into pre-bid understanding and subsequent agreement to meet the timeline. However, all these contract/ agreement/ understanding are in ordinary course of business and at arm's length price. Further, all such contracts are beneficial and in interest of the Company. All agreement are very much as per the standard industry practice in all respect and more on techno of financial nature with defined obligation. However, Company ensures approval of all these related party transaction with Audit Committee before agreement for execution and wherever required also from the shareholders. In most of the cases, it is very difficult to have the approval of pre-bid understanding.
3. In few cases, acknowledgement of notice, circulation of draft minutes and entry of minutes for Board and Committee Meetings could not be made in compliance with the Secretarial standard due to the restriction of work from home and lock down owing to the Covid-19. However, Company has duly obtained the acknowledgement for these from all directors and obtained ratification. Company is materially in compliance and it will try to ensure no gap arises further.
4. Company during the last year had received an inquiry under the Section 206(4) of the Companies Act, 1956 from Registrar of Companies, Coimbatore. The same is in continuation and during the financial year, ROC has asked only some additional information/ documents, which has been provided by the Company.
5. Due to the restriction of work from home and lock down owing to the Covid-19, Company has failed to file the form Annual Performance Reports for its two overseas subsidiaries within the time as prescribed. However, Company has filed FLA in

time. During the period, Company has not made any financial commitments to these overseas subsidiary nor there are any changes. Company is taking steps and will ensure to comply with same.

6. Due to the restriction of work from home and lock down owing to the Covid-19 Company could not publish notice in relation to board meeting and financial result as approved by Board. However, we would like to also inform that various relaxation were granted from publication in newspaper during Covid-19 by MCA/ SEBI. Further, requirement of publication of notice of Board Meeting for financial result has been removed from SEBI LODR Regulation, 2015 from April 2021. However, Company has noted the same and will ensure the compliance.

27. Auditors' Report

The Statutory Auditor's Report for both standalone and consolidated financial statements of the Company is provided along with the financial statements.

There are no qualifications or reservation or remarks made by the Statutory Auditors in their Standalone Audit report apart from one observation that the mobilisation advance received by the Company from certain departments and the proportionate amount which has to be classified as GST liability has been shown as mobilisation advance liability to the extent of Rs.1.99 Crore. Further, there are no qualifications or reservations or remarks made by the Auditors in their Consolidated Audit report other than same as done in Standalone Report.

Further, the disclaimer made both in Standalone and Consolidated Financials are self-explanatory. Your Board would like to clarify that the accounts of both overseas subsidiaries Sri Lanka and Mauritius and branches in Sri Lanka and Bangladesh have been audited and auditors report does not contain any qualification/ reservation. Due to some logistics problem, the same could not be provided to the Statutory Auditors at the time of audit and hence financials have been provided and audit has been done based on information but the auditor's report could not be provided to them at relevant time. Board has taken note of same.

28. Audit Committee

The Company has Audit Committee in compliance to the Section 177 of Companies Act, 2013 and SEBI (LODR) Regulations, 2013. The details about composition of the Audit Committee, its terms of reference, meetings, etc. have been provided in the Corporate Governance Report.

There were no such incidences where the Board has not accepted the recommendations of the Audit committee during the year.

29. Corporate Social Responsibility (CSR)

The Company has Corporate Social Responsibility Committee

in compliance to the provisions of the Companies Act, 2013. The Committee has adopted policy for Corporate Social Responsibility. The Committee defines the parameters and observes them for the effective discharge of social responsibility of the Company.

A report on Corporate Social Responsibility, including details as per Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is enclosed with this report as Annexure - 5.

30. Nomination & Remuneration Committee

The Company has constituted Nomination and Remuneration Committee in compliance to the Section 177 of Companies Act, 2013 and SEBI (LODR) Regulations, 2013. The Company strongly believes that its human resource has infinite potential and therefore, their development is the key to organizational effectiveness. We commit ourselves to integrate human resources with organizational growth and development for mutual benefit. The Nomination and Remuneration policy has been formulated in compliance to the requirement of Companies Act, 2013 and SEBI (LODR) Regulations, 2013.

The details about composition of the Committee, Nomination and Remuneration Policy and other terms and condition, including its terms of reference, have been provided in the Corporate Governance Report.

31. Performance Evaluation

Pursuant to provisions of the Companies Act, 2013, and SEBI (LODR) Regulation, 2015, the Board has carried out an annual performance evaluation of its own performance, the Directors individually, including Independent Directors, as well as the evaluation of the working of its Committees, i.e. Audit and Nomination & Remuneration committees.

A structured format was prepared to rate after taking into consideration inputs received from Directors covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture and execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of Independent Directors. The performance evaluation of Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors.

The mechanism for the evaluation of the Board is given in detail in the Corporate Governance report.

32. Human Resources

Your Company takes pride in the commitment, competence and dedication shown by its employees in all areas of its business. It



considers people as its biggest assets. It has put concerted efforts in talent management and succession planning practices, strong performance management and learning and training initiatives to ensure that your Company consistently develops inspiring, strong and credible leadership. Your Company facilitates proper induction and appropriate upgrade for the skills.

33. Disclosure on Establishment of a Vigil Mechanism

The Board of Directors has adopted a Whistle Blower policy. The policy aims for conducting the affairs in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behavior. Directors and all permanent employees of the Company are covered under the Whistle Blower Policy. A mechanism has been established for Directors/ Employees to report concerns about unethical behavior, actual or suspected fraud or violation of code of conduct and ethics. It also provides for adequate safeguards against the victimization of Directors/ Employees who avail of the mechanism and allows direct access to the Chairperson of the Audit Committee in exceptional cases. A copy of the Whistle Blower Policy is also hosted on the website of the Company.

34. Secretarial Standard

The company has complied with the Secretarial Standards, SS-1 and SS-2 issued by the Institute of Company Secretaries of India on Board Meetings and General Meetings. Company also endeavor and ensure compliance of other secretarial standard.

35. Managerial Remuneration

Disclosures pursuant to Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been enclosed with this report as Annexure – 6.

36. Disclosure as per Listing Regulations

Disclosures pursuant to Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 has been provided in Annexure – 7 apart from those which are provided/ covered in Corporate Governance.

37. Management Discussion and Analysis report

As per Regulation 34(3) and Schedule V of SEBI (LODR) Regulation, 2015, a separate section on Management Discussion and Analysis report forms an internal part of Directors' Report as Annexure – 8.

38. Corporate Governance

As per Schedule V of SEBI (LODR) Regulation, 2015, a separate section on corporate governance practices followed by the Company, report on Corporate Governance together with a certificate confirming compliance and CEO/CFO Certificate by the Managing Director and Chief Financial Officer forms an integral part of this Directors' Report

as Annexure – 9.

39. Application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016

As per the information of the Company as on date of this report, no proceeding is pending against the Company under the Insolvency and Bankruptcy Code 2016.

40. Companies (Auditor's Report) Order, 2020

The report as provided is self- explanatory.

41. Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

The Company has adopted a policy on prevention of sexual harassment of women at workplace in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and has also created an Internal Complaints Committee headed by Mrs. A Nithya, Whole-time Director and Chief Financial Officer of the Company who directly reports to the Chairman & Managing Director. During the financial year ended 31st March 2021, the Company has not received any complaints pertaining to sexual harassment. A copy of the policy on Sexual harassment is also hosted on the website of the Company.

42. Directors' responsibility statement

In accordance with the provisions of Section 134(5) of the Companies Act 2013, your directors confirm that:

- a) In the preparation of the annual accounts for the financial year ended 31st March 2021, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2021 and of the profit /loss of the Company for that period;
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors had prepared the annual accounts on a going concern basis;
- e) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively; and
- f) The Directors had laid down internal financial controls to be

followed by the company and that such internal financial controls are adequate and were operating effectively.

43. Transfer to Investor Education and Protection Fund

The Company transferred the dividend remaining unclaimed by the members of the company to Investor Education and Protection Fund. The detail pertaining to transfer has been provided in notice to Annual General Meeting as well as corporate governance report.

44. Acknowledgment

Your Directors take this opportunity to offer their sincere thanks to all stakeholders, including the various departments of the central

and state governments, government agencies, banks, financial institutions, shareholders, customers and employees who through their continued support and co-operation have helped in your Company's progress.

For and on behalf of the Board of Directors

Place: Erode

Date: 19th August 2021

P Arulsundaram
Chairman & Managing Director

DIN 00125403

**FORM NO. AOC -2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013, including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis

All transactions entered into with related parties as provided under the Companies Act, 2013 and Regulation 23 of SEBI (LODR) Regulation, 2015, during the financial year 2020-21 were in the ordinary course of business and on arms length basis.

2. Details of contracts or arrangements or transactions at arm's length basis

All transactions entered into with related parties as provided under the Companies Act, 2013 and Regulation 23 of SEBI (LODR) Regulation, 2015, during the financial year 2020-21 were in the ordinary course of business and on arms length basis and has been duly approved as mentioned in these provisions. There were no materially significant transactions with related parties during the financial year which were in conflict with the interests of the Company.

Suitable disclosure as required by the Accounting Standards (AS18) has been made in the Note No. 43 in Standalone Financial and in Note No. 49 in Consolidated Financial regarding related party

transaction. The same may be treated as part of this Report.

The Board has approved a policy for related party transactions which was hosted on the website of the Company.

The Company has also entered into various bidding agreement during the financial year 2020-21 with few related party for making of bidding to various Government Departments. These all agreements have been in ordinary course of business and in arm's length basis as acceptable in this domain. Further, similar/ same terms and conditions has also been agreed in other agreement which are with non-related party. As per the bidding agreement, formal agreement needs to be entered on award of the work by the Government Department. These bidding are made with related party to meet out various pre-qualification/ qualification and other requirement as stated in the tender including techno-financial or financial qualifications.

Various contract has been awarded to these JV's based on bidding made and Company has entered into agreement with these parties based on terms and conditions of the tender documents. Company has duly obtained the approval of Audit Committee/ Board for these agreement. Further, Company would be seeking approval of members for material related party transaction as per SEBI LODR Regulation, 2015. However, all these contracts/ agreements are in ordinary course of business and at arm's length price and exempted from any approval under Companies Act, 2013.

**The Conservation of Energy, Technology Absorption, Foreign Exchange
Earnings and Outgo pursuant to the provisions of Section 134(3)(m)
of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014:**

The details of energy, technology absorption and foreign exchange earnings and outgo are as under:

A. Conservation of Energy:

The steps taken for conservation of energy: The Company is engaged in construction and infrastructure activities and efforts are taken to conserve energy wherever possible by economizing on the use of power and fuel at the various sites. The Company has neither taken any specific steps for utilizing alternate sources of energy, nor has made any capital investment on energy conservation equipments.

B. Technology Absorption:

Efforts made, benefits derived, expenditure, import and areas where absorption not taken place: The Company has not absorbed any particular technology from any external sources. However the Company consciously adopts latest technology available in the Industry to assure better quality of work and reduction in cost.

C. Foreign Exchange Earnings and Outgo

Details of foreign exchange earnings and outgo during the financial year 2020-21 are as follows:

For the financial year	(₹ In Crores)
	2020-2021
Foreign exchange earnings	4.57
Foreign exchange outgo	1.10

FORM NO. AOC – 1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part “A”: Subsidiaries

Sl No	Name of the Subsidiary	R.P.P Infra Projects (Lanka) Limited	R.P.P Infra Overseas PLC	Sanskar Dealcom Private Limited	Greatful Mercantile Private Limited	Lunkar Finance Private Limited	RPP Annai (JV) Private Limited
1.	Reporting period for the subsidiary concerned	31.03.2021	31.03.2021	31.03.2021	31.03.2021	31.03.2021	31.03.2021
2.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	LKR INR/LKR – 0.37	US \$ INR/USD – 0.013	INR -	INR -	INR -	INR -
3.	Share Capital	0.05	0.02	0.03	0.03	0.42	0.01
4.	Reserves & surplus	1.03	8.01	0.14	0.15	15.91	-0.02
5.	Total assets	7.80	16.91	0.18	0.19	16.36	4.67
6.	Total Liabilities	6.72	8.88	0.01	0.01	0.03	4.68
7.	Investments	0.00	0.00	0.00	0.00	0.00	0.00
8.	Turnover	0.01	0.00	0.00	0.00	0.00	35.22
9.	Profit before taxation	0.00	-0.01	0.00	0.00	0.00	-0.02
10.	Provision for taxation	0.00	0.00	0.00	0.00	0.00	0.00
11.	Profit after taxation	0.00	-0.01	0.00	0.00	0.00	-0.02
12.	Proposed Dividend	0.00	0.00	0.00	0.00	0.00	0.00
13.	% of shareholding	100%	100%	100%	100%	100%	51%

Notes:

- Names of subsidiaries which are yet to commence operations: None of subsidiaries are yet to commence operations as all were operating company earlier.
- Names of subsidiaries which have been liquidated or sold during the year: Company has sold R.P.P Energy Systems Private Limited during the year.
- The rate of conversion of foreign currency has been taken as on 31st March 2021.

Part “B”: Associates and Joint Ventures

Sl No	Name of the Company	R.P.P Infra Projects Myanmar Ltd
1.	Latest audited Balance Sheet Date	Nil
2.	Shares of Associate/Joint Ventures held by the company on the year end	Nil
	(i) Number	Nil
	(ii) Amount of Investment in Associates/ Joint Venture	Nil
	(iii) Extent of Holding %	Nil
3.	Description of how there is significant influence	Nil
4.	Reason why the associate/joint venture is not consolidated	Nil
5.	Networth attributable to Shareholding as per latest audited Balance Sheet	Nil
6.	Profit / Loss for the year	Nil
	(i) Considered in Consolidation	Nil
	(ii) Not Considered in Consolidation	Nil

Notes:

- Names of associates or joint ventures which are yet to commence operations: The associate R.P.P Infra Projects Myanmar Ltd yet to commence of business. The Company has been incorporated but no activity has been carried by it till now.
- Names of associates or joint ventures which have been liquidated or sold during the year: Company has neither liquidated nor sold any of associates or joint ventures during the year.

SECRETARIAL AUDIT REPORT

For the Financial Year Ended 31st March 2021

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

To,

The Members

RPP Infra Projects Limited

SF No. 454, Raghupathynaiken Palayam,
Railway Colony Post, Poondurai Road,
Erode - 638002, Tamil Nadu

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by RPP Infra Projects Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 and Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018;
- (vi) The list of major heads/ group of Acts, Law and Regulations as applicable to the Company as per management declaration and representation, is mentioned below. In relation to these laws we have relied on the representation made by the Company and its Officers for system and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations as applicable to the Company.
 1. Labour Laws as follows:
 - i. The Employees Provident Funds And Miscellaneous Provision's Act, 1952.
 - ii. Employees' State Insurance Act, 1948.
 - iii. Minimum Wages Act, 1946.
 - iv. Contract Labour (Regular and Abolition) Act , 1970.
 - v. Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979.
 - vi. Maternity Benefit Act, 1960.
 - vii. Industrial Disputes Act, 1961.
 - viii. Payment of Bonus Act, 1965.
 - ix. Labour Laws (Exemption from Furnishing Returns and Maintaining Registers by Certain Establishments) Act, 1988.



- x. Child Labour (Prohibition & Regulation) Act, 1986.
 - xi. Equal Remuneration Act, 1976.
 - xii. Payment of Gratuity Act, 1979.
 - xiii. Industrial Employment (Standing Orders) Act, 1946.
2. Housing Board Act, 1965.
 3. Transfer of Property Act, 1882.
 4. Building and Other Construction Worker's (Regulation of Employment and Conditions of Services) Act, 1996.
 5. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

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

1. Certain e-forms required to be filed by the Company has not been filed within the prescribed period under the Act;
2. Company has entered into few agreements including formation of partnership with related party after approval of Board/ Committee, however, such JV / partnership agreements have not been approved by Audit Committee/ Board as required for related party transactions;
3. Company has not properly complied with Secretarial standard in relation to Board/ Committee Meeting, In few cases during covid as prescribed under the Act;
4. Registrar of Companies, Coimbatore (ROC) has initiated an inquiry under the Section 206(4) of the Act, which is pending and ROC has asked some more information and documents vide their communication dated 9th December 2020;
5. Annual Performance Reports for two overseas subsidiaries has not been filed within the prescribed as per Foreign Exchange Management Act, 1999 and the rules and regulations there under; and
6. Company has failed to publish the notice for the Board Meeting for consideration of financial result and publication of financial result in the newspaper as required to be done under Regulation 47(1) (a)& (b) of SEBI (LODR) Regulations, 2015 for quarter ended 30th September 2020 and 31st December 2020.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before

the meeting and for meaningful participation at the meeting.

All decisions of the Board and Committees were unanimous and the same was captured and recorded as part of the minutes and hence no dissent is recorded in minutes, however, we have been represented that dissent, if any, are captured and recorded as part of the minutes.

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

We further report that during the audit period:

- (a) Company has made preferential allotment of 40 lakh warrants of Rs. 90 each for Rs. 36 crores to its promoters on receipt of 25% of consideration on 14th July 2020 after approval of members at the General Meeting and in-principal approval of stock exchanges. Each warrant is convertible into equity shares of Rs. 10 at premium of Rs. 80 within 18 months of allotment on being made fully paid. Company has already allotted 10.50 lakh equity shares on conversion of equal number of warrants on 4th March 2021.
- (b) Company has decided to raise sum not exceeding Rs. 48 crore by way of right issues to the equity shareholders as per SEBI ICDR Regulation, 2018 and Board has approved the same at its meeting dated 17th February 2021 and has also approved doing of all consequential activity for same.

For **BGSMISHRA & Associates, Company Secretaries LLP**

Sd/-

Gouri Shanker Mishra,
Designated Partner

Place: Chennai

Date: 18th August 2021

M. No: F 6906; C P No. 13581

UDIN: F006906C000802888

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

ANNEXURE

To,
The Members
RPP Infra Projects Limited
SF No. 454, Raghupathynaiken Palayam,
Railway Colony Post, Poondurai Road,
Erode - 638002, Tamil Nadu

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

Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

Due to spread of the COVID-19 pandemic, we have verified the documents electronically and where ever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events, etc.

The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

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

For **BGSMISHRA & Associates,**
Company Secretaries LLP

Place: Chennai
Date: 18th August 2021

Sd/-
Gouri Shanker Mishra, Designated Partner
M. No: F 6906; C P No. 13581

**Report on Corporate Social Responsibility as per Rule 8 of
Companies (Corporate Social Responsibility Policy) Rules, 2014**

1. Brief outline on CSR Policy of the Company.

The Company as per its CSR Policy has decided to engage in following CSR activity:

- Promoting Education.
- Reducing child mortality and improving maternal health.
- Encouraging women entrepreneurs and conducting various counselling programs.
- Eradicating hunger, poverty & malnutrition.
- Contribution to the Prime Minister's National Relief Fund or any other fund set up by the central government for socio-economic development.

2. Composition of CSR Committee:

Sl No	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. P. R. Sundararajan	Independent Director/ Chairman	1	1
2.	Mr. P. Muralidasan	Non-Executive / Member	1	1
3.	Mrs. A. Nithya	Promoter/ Member	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: <http://www.rppi.com/corporate-governance-code-of-conduct.php>
4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report). :Not applicable.
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: Nil

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs Lakhs)	Amount required to be set-off for the financial year, if any (in Rs)
1	2019-20	4.39	4.39

6. Average net profit of the company as per section 135(5); Rs. 2979 Lakhs
7. (a) Two percent of average net profit of the company as per section 135(5); Rs.59.58 Lakhs
(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. Nil
(c) Amount required to be set off for the financial year, if any: Nil
(d) Total CSR obligation for the financial year (7a+7b-7c). Rs. 59.58 Lakhs
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
47,00,000	NIL	NIL	NA	NIL	NA

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

(1) Sl No	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act.	(4) Local area (Yes/ No).	(5) Location of the project. State/District	(6) Amount spent for the project (in Rs.).	(7) Mode of implementation - Direct (Yes/No).	(8) Mode of implementation - Through implementing agency. (Name)
1.	Promoting education and environmental sustainability	Promoting education and environmental sustainability	Yes	Tamil Nadu/ Erode	25,00,000	No	SRI GURU EDUCATIONAL TRUST
2.	Promoting education and environmental sustainability	Promoting education and environmental sustainability	Yes	Tamil Nadu/ Erode	7,00,000	No	SANGAMAN TRUST
3.	Promoting Sports education and environmental sustainability	Promoting education and environmental sustainability	Yes	Tamil Nadu/ Erode	10,00,000	No	TAMILNADU PARALYMPICS SPORTS
4.	Promoting education and environmental sustainability	Promoting education and environmental sustainability	Yes	Tamil Nadu/ Erode	5,00,000	No	OLIRUM ERODE FOUNDATION
Total					47,00,000		

- (d) Amount spent in Administrative Overheads : Nil
(e) Amount spent on Impact Assessment, if applicable: Not applicable.
(f) Total amount spent for the Financial Year (8b+8c+8d+8e) - Rs. 47 Lakhs
(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	59,57,333
(ii)	Total amount spent for the Financial Year	47,00,000
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

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

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
1.	2017-18	-	1,19,00,000	-	-	-	-
2.	2018-19	-	1,23,00,000	-	-	-	-
3.	2019-20	-	56,67,000	-	-	-	-
	Total	-	2,98,67,000	-	-	-	-

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

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: Nil
11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):
The Company is committed to CSR policies adopted by it. Company spend based on the policy with view to ensure rightful utilization. During the last three financial years, Company has spent the amount much higher to prescribed CSR to be spent.
During the current year, due to closure of educational institution and continuing lock down during the pandemic of Covid-19, Company has not been able to spend fully. The Company had kept it for identified object and will spend the same in current financial year in compliance to the provisions of Companies Act, 2013 and Rules thereunder.

Place: Erode
Date: 19th August 2021

P R Sundararajan
Chairman of the CSR Committee
DIN: 02181130

P Arulsundaram
Chairman & Managing Director
DIN: 00125403



**Disclosure pursuant to Rule 5 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014**

1.

(i) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Sl No	Name of the Company	Ratio to median remuneration (times)
1.	Mr. P Arulsundaram, Chairman and Managing Director	47
2.	Mrs. A Nithya, Whole-Time Director and CFO	22
3.	Mr. K Rangasamy, Independent Director	NIL
4.	Mr. P Muralidasan, Non-Executive Director	NIL
5.	Mr. P R Sundararajan, Independent Director	NIL
6.	Mr. R.Kalaimony, Independent Director	NIL

*The Director's other than Managing Director and Whole-Time Director were paid only sitting fees for attending the meeting and were not been paid any remuneration.

(ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Sl No	Name of the Company	Ratio to median remuneration (times)
1.	Mr. P Arulsundaram, Chairman and Managing Director	NIL
2.	Mrs. A Nithya, Whole-Time Director and CFO	NIL
3.	Mr. K. Rangasamy, Independent Director	NIL
4.	Mr. P Muralidasan, Non-Executive Director	NIL
5.	Mr. P R Sundararajan, Independent Director	NIL
6.	Mr. R. Kalaimony, Independent Director	NIL
7.	Mr. Pradeep Kumar Nath, Company Secretary	NIL

(iii) The percentage Increase in the median remuneration of employees in the financial year 2020-21:
63%.

(iv) The number of permanent employees on the rolls of Company:

There are 217 permanent employees on the rolls of the Company.

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

There was no average increase in remuneration for employees other than Key Managerial Person. Similarly no increase in managerial remuneration was provided during the financial year. On the other side, managerial personnel, Mr. P Arulsundaram, Chairman and Managing Director and Mrs. A Nithya, Whole-Time Director and Chief Financial Officer has waived their salary for 9 months in financial year 2020-21 owing to the pandemic and reduce the stress.

The increases in managerial remuneration are considered based on their potential, performance and contribution to the overall growth of the Company as well as performance of the Company. The present managerial remuneration is still below the level of remuneration generally being paid in the industry, however, Board has decided to carry on the same level of remuneration.

(vi) Affirmation that the remuneration is as per the Remuneration policy of the Company:

The remuneration paid to Key Managerial Personnel is as per the Remuneration Policy of the Company.

2. A statement showing the terms of the provisions of section 197 of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

(i) The names of top ten employees in terms of remuneration drawn during the period under review:

Sl No.	Name	Designation	Remuneration (Rs in Lakhs)	Qualification	Experience (Years)	Date of Joining	Age	Last Employed
1.	P. Arul Sundaram	Chairman cum Managing Director	84.00	B.E (Civil)	25	04.05.1995	53	First Employment
2.	A. Nithya	Whole Time Director & CFO	36.00	MBA	21	19.02.1999	47	First Employment
3.	P. K. Nath	Company Secretary	10.20	CS & LLB	8	18.03.2020	33	Gee Gee Kay Group
4.	C. Vadivel	DGM – Projects	13.20	DCE	8	02.04.2012	45	URC Construction Pvt Ltd
5.	Arjunan D.	Senior Manager	9.00	B.Sc	12	01.01.2008	56	First Employment
6.	K. Ramachandran	Senior Manager	8.25	DCE	9	05.04.2011	47	First Employment
7.	B. Gurumoorthi	Manager-Finance	7.20	DEE, MBA	15	08.09.2005	34	First Employment
8.	Sathish S.B	Project Manager	6.60	B.E (Civil)	15	06.02.2006	39	First Employment
9.	K. Sekar	Assistant Manager (Civil Projects.)	6.60	DCE	26	19.06.1995	46	First Employment
10.	T. Sivakumar	Project Manager	6.36	DCE	18	17.12.2001	38	First Employment

Note:

- Employment in all the cases is contractual.
 - The information in cases of previous employer not provided wherever they have started working with this company.
 - Out of above only Mr. P. Arulsundaram, Chairman and Managing Director and Mrs. A. Nithya, Whole Time Director and CFO holds shares beyond 2%, and are promoters of the Company . Mr. P. Arulsundaram and Mrs. A. Nithya holds 72,68,443 equity shares constituting 30.73% and 5749898 shares constituting 24.31 % respectively and aggregating to 13079739 (includes Promoter & Promoter Group) equity shares and 55.3 % of the total paid-up capital of the Company at the end of financial year 2020-21 . Further outstanding 22,00,000 & 7,50,000 number of convertible warrants hold by Mr. P. Arulsundaram and Mrs. A. Nithya respectively.
- (ii) None of the employees of the Company, whether employed for the whole year or part thereof has been in receipt of remuneration in excess of limit provided under the rules, i.e. Rs. 102 lakh per annum or Rs. 8.5 lakh per month. Further none of the employees of the Company whether employed for the whole year or part thereof has been in receipt of remuneration in excess of remuneration drawn by the MD or WTD and holding more than 2% of equity shares of the Company.

[Disclosure pursuant to Regulation 34 read with Schedule V of the SEBI
(Listing Obligations and Disclosure Requirements) Regulation, 2015]

1. Related Party Disclosure:

- (i) The Company has made relevant disclosure pursuant to and in compliance with the Accounting Standard on “Related Party Disclosures” which is provided in notes to account in the financial statement and may be deemed to be part of the Directors’ Report. A declaration to the extent has been provided at the appropriate annexure.
- (ii) The brief disclosure in relation to the disclosure requirements has been provided elsewhere in the report appropriately as required below:

Sl. No.	In the accounts of	Disclosures of amounts at the year end and the maximum amount of loans/ advances/ Investments outstanding during the year.
1.	Holding Company	<ul style="list-style-type: none"> • Loans and advances in the nature of loans to subsidiaries by name and amount. • Loans and advances in the nature of loans to associates by name and amount. • Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount.
2.	Subsidiary	Same disclosures as applicable to the parent company in the accounts of subsidiary company.
3.	Holding Company	Investments by the loanee in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan.

The related party disclosure as made in point (i) covers all the details as mentioned above. The information as provided is not applicable.

- (iii) Disclosures of transactions of the listed entity with any person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the listed entity, in the format prescribed in the relevant accounting standards for annual results is provided in notes to account in the financial statement and may be deemed to be part of the directors report.
- (iv) Material related party transactions has been earlier approved and further material related party transactions are being placed for approval of members.
- (v) The Company has entered into various bidding agreement during the financial year 2020-21 with related party for making of bidding to various Government Departments. As per the bidding agreement, formal agreement needs to be entered on award of the work by the Government Department. These bidding are made with related party to meet out various pre-qualification/ qualification and other requirement as stated in the tender including techno-financial or financial qualifications.
- (vi) Various contract has been awarded to these JVs based on bidding made and the Company has entered into agreement with these parties based on terms and conditions of the tender documents. The Company has duly obtained the approval of Audit Committee/ Board for these agreements. Further, the Company would be seeking approval of members for material related party transaction as per SEBI LODR Regulation, 2015.
- (vii) All material related party transactions for which the Company is seeking approval are in ordinary course of business and at arm’s length and beneficial for interest of the Company. All these agreements are standard agreements.

2. Management Discussion and Analysis Report:

Management Discussion and Analysis Report forming part of Directors’ Report is separately provided as Annexure 8.

3. Corporate Governance Report:

Details as required under Para C, Para D and Para E of the Schedule V of the SEBI (LODR) Regulation, 2015, Report on Corporate Governance along with declaration by Chief Executive Officer on code of conduct and compliance certificate on compliance of corporate governance and other details as provided as Annexure 9.

4. Disclosures with respect to demat suspense/unclaimed suspense account:

The following are the unclaimed shares in the Demat Suspense Account of the Company as at 31st March 2021:

Particulars	Number of Shareholders	Outstanding shares in the Suspense Account
Aggregate number of shareholders and outstanding shares in the suspense account lying at the beginning and end of the year.	1	80
Total	1	80

During the year, there was no movement of shares in the suspense account has taken place and the shares still remains in suspense account. The shares held in suspense account shall remain frozen till the rightful owners of such shares claim the shares.

MANAGEMENT DISCUSSION AND ANALYSIS

Forward-looking Statements & Economic Data

The report may contain forward-looking statements, like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' and so on. Any statements that address expectations or projections about the future, but not limited to the Company's strategy for growth, market position, expenditures, and financial results, are forward-looking statements. Since these are based on certain assumptions and expectations of future events, the Company cannot guarantee that these are accurate or will be realized. The Company's actual results, performance or achievements could thus differ from those projected in any forward-looking statements. The Company assumes no responsibility to these statements and also not liable to publicly amend, modify or revise any such statements on the basis of subsequent developments, information or events. Further, the economic data has been taken from various source and hence the correctness is based on publication made about the same and company assumes no responsibility towards the correctness of same.

Indian Economy

India has emerged over the years, as one of the fastest growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years. The financial year 2020-21 was an economic roller coaster, with two extreme half years. First half year witnessed a precipitous slowdown in economic activity due to complete nationwide lockdown and severe restriction placed by Government due to Covid-19 pandemic. The second half made an impressive sequential rebound due to combination of fiscal and monetary measures by the Government and RBI to meet out the impact of the pandemic.

India's real gross domestic product (GDP) at current prices stood at Rs. 195.86 lakh crore (US\$ 2.71 trillion) in financial year 2021, as per the second advance estimates for 2020-21. Agriculture is set to cushion the shock of the pandemic on the India economy in 2020-21 with a growth of 3.4% in both Q1 and Q2.

India has attracted highest ever total FDI inflow of US\$ 81.72 billion during 2020-21 and it is 10% higher as compared to 2019- 20 (US\$ 74.39 billion). FDI equity inflow grew by 19% in FY2020-21 (US\$ 59.64 billion), compared to the final budget for FY22 announced by 17 states and UTs which indicates an increase of 9.7% in capex expenditures from the FY21 reviewed estimates.

The country has demonstrated commendable economic resilience despite stringent lockdowns, reverse migration of labour and supply chain disruptions. These not only touched pre-pandemic levels but, in some cases, surpassed them. Despite the progressive pickup in various economic parameters, India's GDP contracted by 7.3% in 2020-21 mainly due to the lockdown in the first half of the year.

India entered 2021 with lower growth projections on the economic front led by global economic slowdown and the continuing coronavirus pandemic with sharp rise in daily cases during the second wave, which led to stricter localised lockdown conditions which further impacted businesses and economy. The International Monetary Fund (IMF) raised its FY22 growth forecast for India to 12.5% from 11.5% estimated earlier in January, even as a resurgent Covid spread in the second phase affected the country's economic recovery. The IMF forecast pitches India as the fastest-growing major economy and the only one expected to record a double-digit recovery from pandemic-hit 2020.

India's second coronavirus wave affected the infrastructure sector to a varying degree. Many states re-imposed regional lockdowns as daily new cases increased sharply in May 2021. The lockdowns along with public behavioural changes are curbing economic activity and mobility, which will have a varied impact on infrastructure companies.

Industry Structure and Developments

The year 2020-21 was the most challenging one for the Indian as well as global economy in recent times. The infrastructure sector witnessed stress due to severe restrictions and manpower and labour migration.

GDP growth was negative in 2020-21 as it contracted by 7.3%. GDP stood at 4.2% in the fourth quarter of 2019- 20, which saw lockdowns only during the last few days of the quarter. GDP took massive hit and moved to negative zone by 24.4% in the first quarter of 2020-21. Second quarter of 2020-21 also had negative GDP growth of 4%. It was only during the third quarter which saw marginal positive growth in GDP and GDP growth stood at 0.4% in this quarter. The fourth quarter saw further increase of GDP and GDP growth stood at 1.6%. Industrial activity also contracted during 2020-21.

During the last year itself, the Government took several initiatives to deal with the pandemic situation and announced many initiatives. This was in addition to initiatives announced during last year to deal with the sluggishness in the economy, like reduction in corporate tax rates, a

scheme to provide a one-time partial credit guarantee to public sector banks for purchase of pooled assets of financially-sound non-banking financial companies, recapitalisation of public sector banks, relaxation of external commercial borrowing guidelines for affordable housing, setting up of a Realty Fund for stalled housing projects, merger of 10 public sector banks into four entities and revised Priority Sector Lending (PSL) norms for exports.

The Government has come up with multiple assistance initiatives during the pandemic in economic, fiscal and compliance areas. Further, in the last budget and in recent time, the Government has renewed its thrust on infrastructure and housing.

In Union Budget 2021, the government has given a massive push to the infrastructure sector by allocating Rs. 233,083 crore (US\$ 32.02 billion) to enhance the transport infrastructure. The government expanded the 'National Infrastructure Pipeline (NIP)' to 7,400 projects. ~217 projects worth Rs. 1.10 lakh crore (US\$ 15.09 billion) were completed as of 2020.

Infrastructure sector has been biggest focus area for the Government of India. India plans to spend US\$ 1.4 trillion on infrastructure during 2019-23 to have a sustainable development of the country. Following were the major initiatives:

1. Capital outlay towards key infrastructure sectors has been increased significantly in 2021-22 BE - roads & highways by 35%, railways by 34%, and MRTS and metro projects by 20% over 2020-21 BE
2. A new Development Financial Institution (DFI) with capitalisation of Rs. 20,000 Crore is to be set up with the plan to build a lending portfolio of over Rs. 5 Lakh Crore over the next three years
3. Significant increase in capital outlay for the Ministry of Road Transport & Highways—35% increase to Rs. 1,98,230 Crore in BEFY2022 from Rs. 1,46,975 Crore in BEFY2021 and 26% higher than RE FY2021 of Rs. 1,57,053 Crore.
4. Borrowing target for the NHAI set at Rs. 65,000 Crore in FY2022 (in line with FY2021) and another Rs. 15,000 Crore to be raised through the NHAI's SPV.
5. Jal Jeevan Mission – Urban to be launched with aim to provide tap water to 2.86cr households. Outlay of Rs. 2.87 Trillion over 5 years.
6. Continued thrust on affordable Housing with 17% increase in budgetary support
7. Defence capital expenditure at Rs. 1.34 Trillion, 19% above FY21 BE levels
8. Allocation for metro rail at Rs. 190 Billion for FY22
9. Launch of Swasth Bharat Yojna – outlay of Rs. 64,180 Crore over 6 years for Upgradation of healthcare infrastructure.
10. These above proposals are assuring order flows from metro/ railways, road construction, waterways, housing, defense projects, Urban & health care infrastructure, Irrigation and so on. The higher budgetary allocations offer more scope for growth.

Overall, with such reforms and India's innate strengths, we feel that the economy is expected to make an impressive comeback post pandemic. Already, some sectors such as automobiles, cement, steel and FMCG are showing recovery. IMF has also forecasted GDP growth of above 9.5% for FY 2021-22.

Opportunities and Threats

Infrastructure sector is a key driver for the Indian economy. The sector is highly responsible for propelling India's overall development and enjoys intense focus from Government for initiating policies that would ensure time-bound creation of world class infrastructure in the country.

The Government of India is expected to invest heavily in infrastructure sector, mainly highways, renewable energy and urban transport. Further, the recent decision and push of Government for 'Aatmnirbhar Bharat' and push for only local tenders upto specific size of contract and local purchases is expected to have a positive impact for the Company. Your Company is conscious of the importance laid by the Government to the sector and sees several opportunities for sustainable growth.

The Management of your Company has put sustained efforts and has achieved a robust presence in few States of India. Further, your management also keeps looking for profitable opportunities in neighbouring countries and also takes up suitable joint venture partners or engages in sub-contracting work. Looking at the size, suitability and effective execution, your Company has concentrated in the State of high growth potential in its core area of operations, yet is developing new territories.

Your Company has maintained its focus on three business segments, i.e. Infrastructure, Water Management and Building and at the same



time has retained its focus as a frontrunner in the field of irrigation and water supply, civil construction works, national highways, rural roads and other infrastructure works. The various initiative of Central and State Government would be extremely beneficial for the Company owing to its strategic advantage of being established and having craved its niche area.

The major threat the infrastructure industry is facing is the impact of global economic condition like all business entities operating in India. To be specific, the contracting and construction markets are quite competitive and require substantial resources and capital investment in equipment, technology and skilled personnel. Further, your Company is increasingly moving towards larger projects which has stringent pre-qualification requirements and as such meets intense competition. Your Company has undertaken international project and are exploring further international opportunities, which has much strict timeline and smaller margins and same is expected to continue. Also, the entry of foreign construction companies into the Indian market have reduced the margins. All these are likely to lead to significant challenges to our historical growth rates and acceptable profit and margins. Our contracts are awarded after a competitive bidding processes and satisfaction of other prescribed pre-qualification criteria. The ability of the Company to match the market is always a challenge even though the market is quite open. Further, due to applicability of local conditions, even the timeline of completion of the project, the cost escalation and timely recovery of the money also poses challenge to the industry and so to the Company.

The Covid-19 pandemic has impacted the infrastructure industry due to its dependence and requirement of huge manpower. Though due to unlock, Company is slowly proceeding towards neutralization, the impact and affect and time in normalcy is still not known. The time it will take to reach normal condition is not known and will continue to be a major threat.

Segment-wise / Product-wise Performance

Your Company is engaged in the business of infrastructure development. The Company has internally identified and created the following three segments:

- (i) Buildings
- (ii) Water Management
- (iii) Infrastructure

However, these three segments are not totally different and are not identifiable segments for reporting and are internal bifurcation.

The revenue contribution of each business segment is given below:

Business segments	Revenue in Rs. cr	Percentage revenue
Buildings	102.53	21.45%
Water Management	72.84	15.24%
Infrastructure	302.53	63.30%

The Company has carefully craved its niche area and continues to remain focused at its geographical presence as well as operating verticals/ventures to capitalize on all emerging opportunities as per its policy with prudence. Your Company has decided to stay engaged in short term project of less than 24 months, with small and medium project size of less than Rs. 250 crore, which gives it superior profitability in each project of around 12-13% of EBITDA.

Order Book Position

Your Company has robust order book growth every year. The Company's order book for financial year 2020-21 reached to Rs. 3,113 crore, as compared to Rs. 2,018 crore in FY2020. The Company continues its strategy to maintain optimum margin and enhanced profitability and, at present, its complete order book is from Government agencies.

The order book size in the financial year 2020-21 is as below:

Business segments	Amount (INR mn)	Percentage of order book	Embedded EBITDA margins
Buildings	3,162.08	10.17	10-12%
Water Management	8,082.70	25.96	15-18%
Infrastructure (Road)	19,887.70	63.87	12-14%

Following were the major work order inflow in financial year 2020-21:

	Amount (INR-lakh)	Segment	State
Construction of Storm water drain – Pkg 15 at Kosthalaiyar – RPP-Sathyamoorthy (51:49)	14,400.00	Infrastructure	Tamil Nadu
Construction of Integrated storm water drain in Puzhal surplus north Watershed of Kosathalaiyar basin in the extended areas of GCF,Pkg 27	4,307.00	Infrastructure	Tamil Nadu
Road work at Kacheepuram-Arakonam-thiruthani in Chennai Kanyakumari Industrial corridor RPP-Danya (80:20)	35,900.00	Infrastructure	Tamil Nadu
Construction of Elevated corridor -Thiruchengodu-Erode-Chennai Kanyakumari Industrial corridor RPP-Renaatus (80:20)	19,960.00	Infrastructure	Tamil Nadu
Strengthening and Widening of 4 lane of Thirunelveli-Sengottai-Kollam road of SH 39 from 5+002 km 27+700 , Pkg 1 RPP-SMC (60:40)	17,658.00	Infrastructure	Tamil Nadu
Rehabilitation of Irrigation Infrastructures in G.A.Main Canal L.S. from 30.430 Km. to 45.290 Km. and G.A. No.4 Channel, G.A. No.5 Channel, G.A. No.5A Rear channel and Neivasal and Thenpathy Branch Channels with Feeding Tanks in Papanasam and Orathanadu Taluks of Thanjavur District.	15,686.00	Water	Tamil Nadu
Extension, Renovation and Modernisation of Lower Bhavani Project Main canal from Mile 18-1-375 to 39-0-000 in Erode District	1,2750.00	Water	Tamil Nadu
Jal Jeevan Mission for 2020-2021: CWSS to 442 Habitations in Modakurichi Union in Erode District Package 1 (Period of completion : 18 months, Trial Run : 6 months and Paid maintenance : 12 months)- Pkg 1 and 2	13,014.00	Water	Tamil Nadu
Gabion work at Tanjore -PWD Irrigation	1,560.00	Water	Tamil Nadu

Keeping on the objective, management of your Company keeps on reviewing/ revisiting its strategies based on market condition with effort to minimize cost and expenditure and maximize the value for stakeholders. The Company with the view of maximization of profit yet with maintaining minimum risk, still sustain the growth and remain focused, has adopted the strategies and kept the same implemented and followed. The efficient and timely project execution and selection of the territories and work area is extension of the same strategies.

Financial Performance / Operational Performance

The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013, guidelines issued by the Securities and Exchange Board of India and Ind AS. The management of Company accepts responsibility for the integrity and objectivity of these financial statements, as well as for various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, in order that the financial statements reflect in true and fair manner, the form and substance of transactions and reasonably present the state of affairs on the Balance Sheet and Profit of the Company for the year ended on the date.

The pandemic triggered by Covid-19 has impacted the operations and performance for 2020-21, adversely impacting revenue and profit. As explained, the first two quarters of the financial year has been extremely impacted and in third quarter the Company started getting back to normal and the fourth quarter was reasonably better. However, the second wave has again fuelled uncertainty. The Company has not been able to understand the complete impact owing to uncertainties and complexities of Covid-19.

Standalone Performance:

Your Company posted total revenue of Rs. 489.10 crore in 2020-21 as compared to Rs. 585.31 crore in 2019-20. The consumption of materials and other direct operating costs remained at Rs. 409.33 crore in 2020-21, as against Rs. 479.48 crore in 2019-20. Total cost decreased to Rs. 466.94 crore in 2020-21, vs. Rs. 550.52 crore in 2019-20.

EBITDA for 2020-21 stood at Rs. 47.22 crore as compared to Rs. 64.63 crore in 2019-20. Profit after tax for 2020-21 stood at Rs. 15.53 crore, as against Rs. 19.30 crore during 2019-20.

The Company has maximized use of operational efficiency in the challenging time considering the prevalent restrictions. The Company has devised suitable strategy to by way of optimum utilization of resources available with it, i.e. men, machine and material, however, site restrictions and local conditions has made it difficult to have a constant strategy.

Consolidated Performance:

During the current year, none of the subsidiary was a material subsidiary. The operation in all these subsidiaries is nominal and mostly comprised of the minimal expenses. A new subsidiary has been incorporated during the financial year and details for same have been appropriately provided.



The total consolidated revenue stood at Rs. 524.33 crore in 2020-21, as compared to Rs. 607.96 crore in 2019-20. Total consolidated expenses stood at Rs. 502.21 crore in 2020-21, as against Rs. 574.31 crore in 2019-20. Profit after tax for 2020-21 stood at Rs. 15.50 crore as compared to Rs. 18.16 crore during 2019-20.

As earlier explained both standalone and consolidated performance has been impacted due to the Covid-19 pandemic.

Business Outlook

The pandemic and its fallout has made it difficult to assess the future and timeline for normalcy with any degree of certainty. After the third quarter of the financial year 2021-22, it was appearing that situation will get to normalcy by end of financial year. However, second wave has again created a different outlook and put the industry back to cautious approach. India is doing vaccination at very high speed but vulnerability remains. In recent time, we are witnessing wave and impact worldwide and new variant of the Covid has made situation challenging. However, we are hopeful that increase of the vaccination and various efforts by the State and Central Government will boost the confidence of the economy thereby we may have better economic and business activity.

Your Company continues to stay focused on three business segments: Infrastructure, Water Management And Building. These sectors are also of prime importance for the Government. Below are a few initiatives by the Government for impetus to infrastructure/growth for improving the quality of life and these initiatives also provides opportunity for the Company:

Business segments	Opportunity	Other works
Roads	Bharat Mala, Pradhan Mantri Gram Sadak Yojna	Four-laning of national highways, upgradation of state highways into national highways
Urban Infra	Schemes such as Swachh Bharat Abhiyan, Smart Cities, green mode of transport	Mass rapid transit, metro rail, water supply and sanitation projects
Irrigation and River Linking	50% of cultivated land in India is still not irrigated	Government's aggressive river-linking targets provides a huge opportunity

Growth Strategies

The Company has prudent selection of its business segments, with focus on government contract, which ensures strong delivery even in tough environment. The Company remains to be pure play niche EPC Company. It has strong presence in the fast-growing micro-markets of South India and has spread its footprint in Maharashtra and MP for geographical diversification. Further, in recent time, the Company has taken up project in countries abroad. Further, highways, roads & bridges, civil construction in water management, irrigation and power projects help the Company in diversifying its portfolio. Further, the Company's focus on small Government projects with superior project execution skills with short tenure provides strong revenue visibility.

The Company has de-risked business, which ensures superior profitability projects, as shown below:

Maximum project duration	Upto 24 months	Short duration projects
Maximum project size	Less than Rs. 250 crore	Low tickets projects
EBITDA margins	12 -13%	Superior profitability projects

The Company has implemented projects in diversified geographical locations, yet is maintaining strong presence across a few places, which can be observed below, which provides order book position:

States/Countries	Order book percentage	States/Countries	Order book percentage
Tamil Nadu	79.09	Kerala	1.52
Maharashtra	2.90	Gujarat	2.09
Jharkhand	1.33	Myanmar	6.65
Karnataka	4.47	Bangladesh	1.95

The Company also has mix of project duration, which provides and ensures timely inflows. The Company's present order book can be divided into project duration of 5-10 months, 11-15 months and 16-24 months, which in terms of percentage is 0.46%, 0.30% and 0.24%, respectively.

The Company similarly has mix of projects from different segments with varied project durations. The below table represents the project duration and also representation in percentage for each of them:

Project duration	5-10 months	11-15 months	16-24 months or more than 24 months
Infra	0.2%	0.14%	0.15%
Building	0.13%	0.04%	0.05%
Water Management	0.13%	0.12%	0.04%

The Company also ensures its efficient operation through its business cycle, which comprises of small ticket size projects coupled with stringent onsite operational control, which accelerates project completion, which helps the company to raise milestone bill faster ensuring enhance liquidity.

The Company has large talent pool comprising of over 200 employees. It has good captive equipment of around Rs. 47 crore. It also has strategic sub-contracting partnership for project upto Rs. 30 crore and applies accurate project modelling through cutting-edge IT tools. These culminate and ensure in efficient operations.

Risks and Concerns

Mitigation of risk is an all-encompassing requirement. Broadly speaking, construction/infrastructure projects face the following type of risks:

- **General economic/sector risks:** We derive and expect to derive substantially all of our revenue from infrastructure projects in India. Accordingly, we are dependent on sustained economic development that we operate in and Government policies relating to infrastructure development. It is also significantly dependent on budgetary allocations made by central and state governments, participation from multilateral agency-sponsored developments, public bodies as well as access to private sector funding. Macro-economic factors in India relating to the infrastructure sector will have a significant impact on our prospects and results of operations. Our results of operations are and would continue to be dependent on the policies adopted by the central and state governments.
- **Bidding and execution capabilities:** Infrastructure project development for large projects in India involve the process of pre-qualifying of interested bidders based on technical and financial strengths. Pre-qualification criteria is based on factors such as relevant past achievement of project execution, net worth, cash accruals, etc. After a project is awarded, completion on time is subject to various factors. We target for efficient project management and execution through efficient deployment of equipment and resources, quick decision-making capabilities by on-site project managers, strong relationships with suppliers and sub-contractors and coordination between project sites and the head office. We monitor the progress of project execution in terms of time, cost, quality, efficiency, manpower resources and deployment of plant and equipment. Our ability to continue to execute contracts effectively, as our business grows, is important to our strategy and results of operations.
- **Completion risk:** This is the risk that the project may not be completed on time, or at all, due to various reasons such as cost overruns, technology failure, force majeure, etc. We ensure timely mobilization of site team and other requirements and also ensure timely availability of material/ labour/equipment in a coordinated manner. We have also in place a monitoring system to monitor the requirement of drawings/clearances needed from client and ensure that these are communicated in advance and also documented.
- **Resource risk:** This risk includes the non-availability of raw materials for the project operation. It also includes the risk that the raw material prices might move adversely. We draw up the project cost estimates based on site conditions, expected duration of the project, seasonal cost/availability factors while quoting. We also negotiate better rates from suppliers/service providers, leveraging on the volumes across sites.
- **Operating risk:** This is a risk that the project costs would escalate. It also includes the risk that the project will have operational problems. We ensure an elaborate study of the site conditions and the scope of the project and involve cross functional teams at the tendering stage to capture all variables across different processes. The Plan for project execution is then done elaborately with process linkages.
- **Casualty risk:** This is the risk of physical damage to the project equipment. It also includes liabilities to third parties on account of accidents at the project site.
- **Site risk:** This is the risk that the project site might have legal encumbrances. It also includes the risk that the site has technical problems.
- **Cost management:** We have experienced that our operating expenses constitute a major chunk of our total income. Our operating costs which relate to project costs mainly comprise cost of inputs, labour, fuel expenses, sub-contracting expenses and usage of various machinery. These costs are subject to volatility and may fluctuate owing to reasons beyond our control. Our ability to handle these costs in an effective manner will impact our results of operations.



- **Competition:** We face significant competition for the award of projects from a large number of infrastructure companies who also operate in the same regional markets as us. Further, some of our competitors are larger than us, have stronger financial resources or a more experienced management team, or have stronger engineering capabilities in executing technically complex projects. Competition from other infrastructure companies will continue to have a significant impact on our ability to successfully bid for projects at price levels which would generate desired returns for us.

The Company has taken a number of initiatives such as deployment of risk mitigation strategies, superior execution of projects and astute cost management to deal with an overall environment dominated by high interest rates, sluggish demand, liquidity issues and higher input costs. The Company has adopted a pragmatic approach to navigate through the turbulent times and had cut down on overhead expenses and optimally stretched its available resources, making it lean yet effective in order to improve its operational efficiencies.

Risk Management Policy

Risk management is an integral part of our business process. The risk management process provides for review of the risk assessment and mitigation procedure and timely report to the management and review of the identified risks at periodical intervals to assess the progress of control measures. The Audit Committee of the Board reviews the risk management efforts periodically.

The Company has adopted the following risk management framework:

- Risk identification: This function involves pre-emptive strategies to identify potential risks and evolve a framework for mitigation
- Risk assessment and analysis: Risk assessment is the objective evaluation of the quantitative and qualitative value of risk related to the uncertainties of a specific situation
- Proactive risk governance measures: This requires the organisation to ascertain action plans to address identified issues and forestall potential damage
- Comprehensive risk reporting
- Record the causes and mitigation measures for future reference

The reporting systems ensure precise monitoring for quick decision-making and smooth running of operations. Prompt attention is drawn to any risk-related function, which is then closely monitored to enable appropriate decision-making to avoid problems/regain stability within the shortest possible time.

Internal Controls and their Adequacy

Your Company has adequate internal control systems to monitor business processes, financial reporting and compliance with applicable regulations. It has documented procedures covering all financial, operating and management functions. These controls have been designed to provide a reasonable assurance with regard to maintaining proper accounting controls, monitoring of operations, protecting assets from unauthorised use or losses, compliances with regulations and for ensuring reliability of financial reporting. The Company has continued its efforts to align its processes and controls with best practices in these areas as well. The systems are periodically reviewed for identification of control deficiencies and formulation of time-bound action plans to improve efficiency at all levels.

The Company conducts internal audit through an independent firm of qualified chartered accountants who are given access to all records and information. The Audit Committee of the Board reviews internal control systems and their adequacy, significant risk areas, observations made by internal auditors on control mechanism and the operations of the Company, recommendations made for corrective action and internal audit reports. The Committee reviews with the statutory auditors and the management key issues, significant processes and accounting policies. The Company continues its efforts in strengthening internal controls to enable better management and control of overall processes.

Your Company has a proper Whistle Blower Policy and proper vigil mechanism for Directors and employees. The policy enables Directors and employees to report their genuine concerns, generally impacting/affecting business of our Company, including but not limited to improper or unethical behaviour/misconduct/actual or suspected fraud/violation of code of conduct. The policy provides adequate safeguard against victimisation to make it easy for employees/Directors to report any issue.

Human Resource Development and Industrial Relations

Our continued success will depend in part on our ability to retain and attract key personnel with relevant skills, expertise and experience.

We are aware of the challenge in attracting and retaining the best of talent in the industry. All our HR policies and practices are aligned with the overall organisational strategy. Presently, our Company has around 200 employees at various levels under its direct employment. We have in place a well-drawn out HR Policy and a working environment encouraging innovation, cost reduction and time-bound completion of projects, along with measures targeted to emerge as a merit-driven organisation in these challenging times. The management has been paying special attention to various aspects, like employee training, welfare and safety, thereby strengthening its human resources.

Details of Ratio and Significant Changes

- (i) Debtors Turnover: 3.27%
- (ii) Inventory Turnover: 6.97
- (iii) Interest Coverage Ratio: 2.17
- (iv) Current Ratio: 1.96
- (v) Debt-Equity Ratio: 0.42
- (vi) Operating Profit Margin (%): 8.40%
- (vii) Net Profit Margin (%): 3.18%

The Covid-19 pandemic has resulted in reduction of revenue and consequential reduction of profit. Further, during the year, capital and share premium account has increased due to the allotment of equity through preferential allotment, details of which are provided in the Directors' Report.

Three ratios have resulted in change beyond 25% from the last year, namely, debt-equity ratio, operating profit margin and net profit margin. As explained above, the change in debt-equity ratio is due to increase of capital. Operating profit margin and net profit margin have been impacted due to reduction of turnover and margins due to the pandemic.

Change in Net Worth

The Company has 5.80% return on net worth during the financial year 2020-21 as compared to 8.17% during the previous financial year 2019-20. This is owing to reduction of revenue and consequential reduction of profit during the financial year 2020-21 due to the Covid-19 pandemic. It is also attributed to increase of capital and share premium account due to the allotment of equity during the year.

Disclosure of Accounting Treatment

The Company has followed the accounting standard in the preparation of financial statements as applicable to it.



REPORT ON CORPORATE GOVERNANCE

1. Company's philosophy on Code of Governance

The Company's philosophy on code of governance is to ensure that its obligations are discharged in a fair and transparent manner in order to protect the interests of its stakeholders. The Company maintains the best practices towards preserving the environment and adherence to the highest safety standards across all operations. The Company aims at achieving transparency, accountability and equity in all facets of its operations and in all interactions with stakeholders, including shareholders, employees, government, lenders and other constituents, while fulfilling the role of a responsible corporate representative committed to good corporate practices. The Company is committed to achieve good standards of Corporate Governance on a continuous basis by laying emphasis on ethical corporate citizenship and establishment of good corporate culture which aims at true Corporate Governance.

The Company believes that all its operations and actions must result in enhancement of the overall shareholder value in terms of maximizing shareholder's benefits, over a sustained period of time.

2. Board of Directors

Composition of the Board

Companies' policy is to have an appropriate mix of executive, non-executive and independent directors to maintain the balance and independence of the Board and to separate the Board functions of governance and management. The total strength of the Board during the financial year 2020-21 comprised of six directors, consisting of two executive promoter directors, one non-executive director and three independent directors.

Independent directors are non-executive directors as defined under Section 149 Companies Act, 2013 read with Regulation 16(1)(b) of the SEBI Listing Regulations. The maximum tenure of the independent directors is in compliance with the Companies Act, 2013 ("Act"). All the Independent Directors have confirmed that they meet the criteria as mentioned under regulation 16(1)(b) of the SEBI Listing Regulations and Section 149 of the Act. The present strength of the Board reflects judicious mix of professionalism, competence and sound knowledge which enables the Board to provide effective leadership to the Company.

The independent Directors have included their names in the data bank of independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

As per the requirement of Regulation 17(1) of SEBI (LODR) Regulation, 2015, the company has an optimum combination of executive and non-executive directors with one woman director and two-third of the total number of directors being non-executive. Further, the Chairman being the promoter executive director, more than half of the board comprises of independent directors. The composition of the Board was proper and in compliance of Regulation 17 of SEBI (LODR) Regulations, 2015 throughout the financial year.

Mr. R. Kalaimony, Independent Director was appointed on 14th November 2019 and he has been confirmed as independent director pursuant to approval of members at Extra-Ordinary General Meeting dated 12th June 2020.

Mr. K Rangasamy, Mr. P R Sundararajan, were appointed as Independent Directors of the Company pursuant to Section 149 of the Companies Act, 2013 ("the Act") read with Companies (Appointment and Qualification of Directors) Rules, 2014, w.e.f. 14th November 2016 for a term of 5 years as per approval of members at 22nd Annual General Meeting and to hold office up to 13th November 2021. The above term would be considered as first term as per the explanation to Section 149(10) and 149(11) of the Companies Act, 2013.

The Nomination & Remuneration Committee / Board at its Meeting held on 1st June 2021 after taking into account the performance evaluation of these independent directors of the first term of five years and considering the knowledge, acumen, expertise and experience in their respective field, has recommended their re-appointment as independent directors on the Board of the Company and to hold office for the second term of five consecutive years commencing from 14th November 2021 to 13th November 2021 subject to approval of for shareholders by way of special resolution at the forthcoming Annual General Meeting as per Section 149(10) of the Companies Act, 2013.

The following is the present composition of our Board and their number of Directorships in other companies:

Name of the Director	Category	Date of appointment	Interse relationship	Shareholding*	Directorship in other public companies**	Number of committee positions in other public companies***	
						Chairman	Member
Mr. P Arulsundaram	PD/ED	04.05.1995	Mrs. A Nithya's Husband	72,68,443 Equity Shares & 22,00,000 Convertible Warrants	-	-	-
Mrs. A Nithya	PD/ED	19.02.1999	Mr. P Arulsundaram's wife	57,49,898 Equity Shares & 7,50,000 Convertible Warrants	-	-	-
Mr. P Muralidasan	NED	01.04.2008	-	156	-	-	-
Mr. K Rangasamy	ID	14.11.2016	-	0	-	-	-
Mr. P R Sundararajan	ID	14.11.2016	-	0	-	-	-
Mr. R. Kalaimony	ID	14.11.2019	-	0	-	-	-

PD- Promoter Director; ED- Executive Director; NED-Non-Executive Director; ID- Independent Director

* Shareholding including convertible instrument held by Directors as on 31st March 2021 has been considered. These convertible warrants are to be made fully paid and option of conversion needs to be exercised within 18 months.

** The directorship does not include directorship in Private Limited, Private Limited which are subsidiary of Public Limited, Section 8 Companies and Companies incorporated outside India.

***Membership/Chairmanship of only Audit Committee/Stakeholders' Relationship Committee has been considered.

As required by SEBI (LODR) Regulation, 2015, none of the Directors on the Board are members of more than ten Board-level committees and Chairman of more than five such Committees, across all such companies in which he/she is a Director.

Directors' Profile

Mr. P Arulsundaram, Chairman and Managing Director, aged 56 years, holds a Bachelor of Engineering Degree in Civil Engineering from Sri Vinayaka Mission Research Foundation, Deemed University, Salem and a Diploma in Civil Engineering from Kongu Engineering College, Erode, Tamil Nadu. He has over 35 years of experience in civil works in the fields of transportation / power / commercial buildings and irrigation projects. He has been responsible for strategic direction and development of our Company and is in overall control of our operations. His experience and his intimate understanding of the businesses verticals of our operations have played a central role in the rapid growth of our Company.

Mrs. A Nithya, Whole-Time Director and Chief Financial Officer, aged 48 years, holds a Master's degree in Business Administration from Anna University, Chennai. She is responsible for the finance, accounting and treasury functions of the Company.

Mr. P Muralidasan, Non-Executive Director, aged 57 years, holds a bachelor's degree in Civil Engineering from Bangalore University. He has over 32 years of experience in the construction industry.

Mr. K. Rangasamy, Independent Director, aged 68 years, holds a Master's degree in Agricultural Science from Tamil Nadu Agricultural University, Tamil Nadu. He is a qualified member of Indian Institute of Bankers. He has over 38 years of experience in banking sector.

Mr. P. R. Sundararajan, Independent Director, aged 63 years, holds a Bachelor of Engineering (Hons) in Civil Engineering from University of Madras, Chennai and a Master's degree in Structural Engineering from Government College of Technology, Coimbatore. He has over 38 years of experience in engineering industry.

Mr. R. Kalaimony, Independent Director, aged 57 year, holds a Bachelor's degree in B.E (Civil) Engineer from College of Engineering, Anna University at 1985 and Master's Degree in Environmental Engineering from College of Engineering in the year 1994. He has more than 20 years associated with Tamil Nadu Electricity Board, now named as TANGEDCO under various cadres in execution of many Hydro Project schemes and contract management of those Hydro project schemes.

Attendance of Directors at Board Meetings and at Annual General Meeting (AGM)

Following are the attendance of directors in the Board Meetings and at previous AGM:

Name of the Director	No. of Board Meetings Held	Board Meetings Attended	Attendance at Previous AGM
Mr. P Arulsundaram	8	8	Yes
Mrs. A Nithya	8	8	Yes
Mr. P Muralidasan	8	8	Yes
Mr. K Rangasamy	8	8	Yes
Mr. P R Sundararajan	8	8	Yes
Mr. R. Kalaimony	8	1	Yes



Board Meetings held during the year

The Board of Directors met Eight times during the year under review on 19th May 2020, 30th June 2020, 29th July 2020, 15th September 2020, 12th November 2020, 30th January 2021, 14th February 2021 and 17th February 2021. The interval between two meetings was within the maximum period mentioned under section 173 of the Companies Act, 2013 and the SEBI LODR Regulation, 2015.

Committee of Directors

The Board has following committees during the financial year 2020-21:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholder's Relationship Committee
- Corporate Social Responsibility (CSR) Committee
- Legal and Finance Committee
- Share Allotment Committee

Further, the Company has constituted a Right Issue Committee on 17th February 2021 for the purpose of the issue of equity shares to the equity shareholders on rights basis (Rights Issue).

3. Audit Committee

Composition, Meetings and Attendance

The Audit Committee of the Board of Directors is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of Regulation 18 and Part C of Schedule V of SEBI (LODR) Regulation, 2015. All members of the Audit Committee are financially literate and bring in expertise in the fields of finance, taxation, economics, risk and international finance. Mr. K. Rangasamy, Independent Director, is the Chairman of the Audit Committee. The other members of the Audit Committee include Mr. P Muralidasan and Mr. P R Sundararajan. The constitution of the Audit Committee has not changed during the year. There were no incidences where Board has not accepted the recommendation of the Audit Committee during the year.

The Audit Committee met six (6) times during the financial year 19th May 2020, 30th June 2020, 15th September 2020, 12th November 2020, 30th January 2021, 14th February 2021.

The composition of the Audit Committee and particulars of meetings attended by the members of the Audit Committee are given below:

Name	Category/ Status	Meetings Held	Meetings Attended
Mr. K Rangasamy	Independent / Chairman	6	6
Mr. P R Sundararajan	Independent/ Member	6	6
Mr. P Muralidasan	Non-Executive/ Member	6	6

Terms of reference

The terms of reference has been set for the Audit Committee by Board in compliance to the Section 177 of Companies Act, 2013 and Regulation 18(3) & Part C of Schedule II SEBI (LODR) Regulation 2015. The following are, inter alia, the main terms of reference provided by the Board of Directors to the Audit Committee:

1. Regular review of accounts, accounting policies and disclosures.
2. Review the major accounting entries based on exercise of judgment by management and review of significant adjustments arising out of audit.
3. Review any qualifications in the draft audit report.
4. Establish and review the scope of the independent audit including the observations of the auditors and review of the quarterly, half-yearly and annual financial statements before submission to the Board.
5. Upon completion of the audit, attend discussions with the independent auditors to ascertain any area of concern.
6. Establish the scope and frequency of the internal audit, review the findings of the internal auditors and ensure the adequacy of internal control systems.
7. Examine reasons for substantial defaults in payment to depositors, debenture holders, shareholders and creditors.
8. Examine matters relating to the Director's Responsibility Statement for compliance with Accounting Standards and accounting policies.
9. Oversee compliance with Stock Exchange legal requirements concerning financial statements, to the extent applicable.
10. Examine any related party transactions, i.e. transactions of the Company that are of a material nature with promoters or management, their subsidiaries, relatives, etc., that may have potential conflict with the interests of the Company.
11. Appointment and remuneration of statutory and internal auditors.
12. Risk assessment and minimization procedures.
13. Management discussion and analysis of financial condition and results of operations
14. Statement of significant related party transactions (as defined by the audit committee), submitted by management.
15. Management letters / letters of internal control weaknesses issued by the statutory auditors.
16. Internal audit reports relating to internal control weaknesses.
17. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.

18. Statement of deviations:

- (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
- (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

4. Nomination and Remuneration Committee

Composition, Meetings and Attendance

The Nomination and Remuneration Committee comprises of Three Directors, Mr. P R Sundararajan, Independent Director, Mr. K Rangasamy, Independent Director and Mr. P Muralidasan, Non-Executive Director. Mr. P R Sundararajan, Independent Director is the Chairman of the Committee. The constitution of the committee has not changed during the year.

The composition of Nomination and Remuneration Committee is in compliance to the provisions of Section 178 of the Companies Act, 2013, and Regulation 19(1) of the SEBI (LODR) Regulations, 2015.

The Nomination and Remuneration Committee met two (2) times during the year on 30th June 2020 and 15th September 2020.

The composition of the Nomination and Remuneration Committee and particulars of meetings attended by the members are given below:

Name	Category/ Status	Meetings Held	Meetings Attended
Mr. P R Sundararajan	Independent / Chairman	2	2
Mr. P Muralidasan	Non-Executive/ Member	2	2
Mr. K Rangasamy	Independent / Member	2	2

Terms of reference

The terms of reference has been set for the Nomination and Remuneration Committee by Board in compliance to the Section 178 of Companies Act, 2013 and Regulation 19(4) & Part D of Schedule II of SEBI (LODR) Regulation 2015. The terms of reference of are Regulation 19(4). The terms of reference of the Nomination and Remuneration Committee as set by the Board of Directors inter alia includes following:

1. To determine the remuneration payable to the Directors.
2. To recommend to the Board appointment/ re-appointment and removal and evaluation of Independent Directors and the Board.
3. To review the Nomination and Remuneration policy.
4. Establish and administer employee compensation and benefit plans.

5. Such other matters as may be required from time to time under any statutory, contractual or other regulatory requirement.

Nomination and Remuneration Policy

The Board of Directors has formulated Nomination and Remuneration Policy as follows:

1. To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
2. To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
3. To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
4. To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
5. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
6. To devise a policy on Board diversity.
7. To develop a succession plan for the Board and to regularly review the plan.
8. To determine the remuneration, review performance and decide on fixed and variable pay of Executive Directors.

Mechanism for Evaluation of Board and Performance evaluation criteria for independent directors

Evaluation of all Board members is done on an annual basis. The evaluation is done by the Board, Nomination and Remuneration Committee and Independent Directors with specific focus on the performance and effective functioning of the Board and Individual Directors.

(A) Criteria for evaluation of Board of Directors:

1. Attendance & active participation in Board, Committee & General Meetings.
2. Adequate preparation for all such meetings.
3. Constructive contribution to formulation of strategy & translation into plans, policies and annual goals.
4. Achievement of sales, productivity & financial goals.
5. Active involvement in quality systems & improvement activities for future growth.
6. Updating knowledge in area of expertise, overall business & industry environment.
7. Open communication with Board members and down the line.
8. Awards & recognitions received by Company.
9. Conduct in ethical manner consistent with the applicable laws.



10. Brand building through contribution to and discharge of social responsibilities.

(B) Criteria for evaluation of the Independent Directors:

- i. Qualifications & skills to understand corporate culture, business & its complexities
- ii. Adequate preparation for Board, Committee and General Meetings and updating knowledge in area of expertise.
- iii. Attendance and active participation in above meetings.
- iv. Objective & constructive participation in informed and balanced decision making.
- v. No abuse of position detrimental to Company's/ shareholder's interest and/or personal advantage, direct or indirect.
- vi. Ability to monitor management performance and integrity of financial controls & systems.
- vii. Active and timely execution of any tasks assigned by the Board.
- viii. Communication in open and fair manner.
- ix. Credibility, directions and guidance on key issues in the best interest of Company.
- x. Ethical conduct consistent with applicable laws, rules and regulations.

5. Remuneration to Directors

The details of remuneration paid/payable, sitting fees and commission paid to each of the directors during the year ended 31st March 2021 are given below:

(₹ Lakh)				
Name of the Director	Remuneration	Sitting Fees	Commission	No. of Shares held
Mr. P Arulsundaram* (Chairman and Managing Director)	9.30	-	-	72,68,443 Equity Shares & 22,00,000 Convertible Warrants
Ms. A Nithya* (Whole Time Director and CFO)	4.46	-	-	57,49,898 Equity Shares & 7,50,000 Convertible Warrants
Mr. P Muralidasan (Non- Executive Director)	-	0.55	-	156 Equity Shares
Mr. K Rangasamy (Independent Director)	-	0.55	-	-
Mr. P R Sundararajan (Independent Director)	-	0.55	-	-
Mr. R. Kalaimony (Independent Director)	-	0.10	-	-

* Mr. P Arulsundaram Chairman and Managing Director & Ms. A Nithya, Whole Time Director and CFO of the Company had waived their salary for a period of nine months comprised of 1st, 2nd & 3rd Quarter for FY 2020-21. They have supported to overcome the current economy situation due to Covid -19.

There are no material pecuniary relationship between the Company and non-executive directors, other than payment of sitting fee.

The employment of the Chairman & Managing Director and Whole Time Director and Chief Financial Officer is contractual. The employment is for a period of three years, i.e. till 31st March 2023. The contract is terminable by either party after giving prior notice. No severance fee as such has been agreed.

The Company pays remuneration to its Chairman & Managing Director and Whole Time Director and Chief Financial Officer by way of salary and benefits as approved by the shareholders on 29th October 2020 at 25th Annual General Meeting of the Company. The Company does not have stock option plans for any of its Directors. The Company has paid a salary of ₹ 7 Lakhs per month to Chairman & Managing Director and ₹ 3 Lakhs per month to the Whole Time Director and CFO and applicable and approved perquisite/ benefits.

Chairman and Managing Director and Executive Director are entitled for the following benefits apart from salary:

- i. Reimbursement of all medical expenses incurred, including premium paid on health insurance policies, whether in India or abroad for self and family including hospitalization.
- ii. Education of children covering tuition fees and other expenses on higher educations.
- iii. Leave travel concession/allowance: Foreign trip once a year with family or / and inland trip for self and family twice in a year.
- iv. Club fees subject to a maximum of two clubs.
- v. Personal accident insurance premium.
- vi. Use of Company maintained cars with drivers for business and personal use.

As informed, both executive directors Mr. P Arulsundaram, CMD and Mrs. A Nithya, WTD and CFO had waived their salary for a period of nine months comprised in 1st, 2nd & 3rd quarter for financial year 2020-21 to support the company to tide over the current economy situation due to Covid -19 pandemic.

6. Stakeholders' Relationship Committee

Composition, Meetings and Attendance

Stakeholders' Relationship Committee comprises of three Directors. Mr. P Muralidasan, Non-Executive Director, Mrs. A Nithya, Whole-Time Director and Chief Financial Officer and Mr. P R Sundararajan, Independent Director. Mr. P Muralidasan, Non-Executive Director is the Chairman of the Committee. The constitution of the Committee has not changed during the year.

The Composition of Stakeholders' Relationship Committee is in compliance to the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (LODR) Regulations, 2015

The status of shareholder correspondences, queries, grievances etc. are endeavoured to be addressed instantaneously by the secretarial department and status thereof is also placed before the Stakeholders Relationship/ Grievance Redressal Committee.

The Stakeholders' Relationship Committee met once (1) during the financial year on 29th July 2020.

The composition of the Stakeholders' Relationship Committee and particulars of meetings attended by the members are given below:

Name	Category/ Status	Meetings Held	Meetings Attended
Mr. P Muralidasan	Non-Executive/ Chairman	1	1
Mrs. A Nithya	Promoter/ Executive/ Member	1	1
Mr. P R Sundararajan	Independent/ Member	1	1

Terms of Reference

The terms of reference has been set for the Stakeholders' Relationship Committee by the Board in compliance to the Section 178 of Companies Act, 2013 and Regulation 20(4) & Part D of Schedule II of SEBI (LODR) Regulation 2015.

The term of reference to the committee includes overseeing and review of all matters connected with transfer of securities, non-receipt of annual report, notices, dividend and various grievances of the shareholders. The Committee oversees performance of Registrars and Share Transfer Agents of the Company and recommends remedial measures to improve quality of investors' services. The Committee has delegated the authority for share transfers to the Managing Director.

Compliance Officer:

Company Secretary acts as Compliance Officer of the Company. Company earlier has designated Mr. A. Karthiswaran, Company Secretary who acted as Compliance Officer of the Company till his resignation on 29th June 2020. Company has appointed Mr. Pradeep Kumar Nath as Company Secretary on 30th June 2020 and he acts as compliance officer from the date of his appointment.

Stakeholder's Grievance Redressal

During the year ended 31st March 2021, the company had received one complaint and has redressed the same. No investor complaints/ grievances are pending for redressal at the end of the financial year.

7. Corporate Social Responsibility (CSR) Committee

The Corporate Social Responsibility (CSR) Committee comprises of three Directors, Mr. P R Sundararajan, Independent Director, Mrs. A Nithya, Whole-Time Director and Chief Financial Officer and Mr. P Muralidasan, Non-Executive Director. Mr. P R Sundararajan is the Chairman of the Committee. The constitution of the Committee has not changed during the year.

The Composition of CSR Committee is in compliance to Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Company has formulated CSR Policy, which is uploaded on the website of the Company. A report on CSR is provided forming part of the Board Report elsewhere.

The Committee had met once (1) during the period on 29th July 2020. The composition of the Corporate Social Responsibility Committee and particulars of meetings attended by the members are given below:

Name	Category/ Status	Meetings Held	Meetings Attended
Mr. P R Sundararajan	Independent/Chairman	1	1
Mrs. A Nithya	Promoter/ Executive/ Member	1	1
Mr. P Muralidasan	Non-Executive/Member	1	1

8. Risk Management Committee

The Audit Committee has also been granted the additional responsibility to foresee and implement the risk management. The terms of reference includes framing, implementation and monitoring of the risk management plans of the Company. The Committee has constituted Risk Management Team for day to day working.

9. Legal and Finance Committee

The Board has constituted this Committee to authorize grant of power of attorney to executives, to approve various facilities as and when granted by the Banks and execution of documents for these facilities within the limit set out with a view to facilitate and expedite the required work. The Committee has also been authorized to quote for tenders, enter into agreement/ joint venture, providing of the investment, loans, etc.

The Committee comprises of three Directors and Mr. P R Sundararajan, Independent Director is the Chairman of the Committee and Mrs. A Nithya, Whole-Time Director and Chief Financial Officer and Mr. P Muralidasan, Non-Executive Director are members. The constitution of the Committee has not changed during the year.



The Committee met thirteen (13) times during the year on 29th July 2020, 27th August 2020, 3rd September 2020, 20th October 2020, 4th November 2020, 20th November 2020, 9th December 2020, 29th December 2020, 18th January 2021, 28th January 2021, 19th February 2021, 3rd March 2021 and 13th March 2021.

The composition of the Legal and Finance Committee and particulars of meetings attended by the members are given below:

Name	Category/ Status	Meetings Held	Meetings Attended
Mr. P R Sundararajan	Independent/ Chairman	13	13
Mrs. A Nithya	Promoter/ Executive/ Member	13	13
Mr. P Muralidasan	Non-Executive/ Member	13	13

10. Share Allotment Committee

The Board has constituted this Committee in the financial year 2020-21 for the purpose of the allotment of warrants and allotment of equity shares on conversion of same.

The Committee comprises of three Directors namely Mr. K Rangasamy, Independent Director, Mrs. A Nithya, Whole-Time Director and Chief Financial Officer and Mr. P Arulsundaram, Chairman and Managing Director are Committee chooses chairman for each of its meeting.

The Committee met two times during the year on 14th July 2020 and 4th March 2021.

The composition of the Share Allotment Committee and particulars of meetings attended by the members are given below:

Name	Category/ Status	Meetings Held	Meetings Attended
Mr. K Rangasamy	Independent Director/ Member	2	2
Mrs. A Nithya	Promoter/ Executive/ Member	2	2
Mr. P Arulsundaram	Promoter/ Executive/ Member	2	2

11. Rights Issue Committee

On 17th February 2021 the Board constituted a Right Issue Committee to meet the requirement of proposed rights issue of the Company on

The Committee comprises three Directors namely Mr. K Rangasamy, Independent Director, Mrs. A Nithya, Whole-Time Director and Chief Financial Officer and Mr. P Muralidasan, Non-Executive Director are members. Committee chooses Chairman at its meeting.

The Committee did not meet during the last financial year 2020-21.

12. Independent Directors

Independent Directors meet out the criteria of independence as provided under Companies Act, 2013 and SEBI LODR Regulation, 2015. Independent directors have also provided declaration to the Board of their independence from management. In opinion of the Board, the independent directors fulfill the conditions specified in these regulations and are independent of the management.

Mr. Ramasamy Kalaimony was appointed as Independent Director on 14th September 2019 and his appointed has been confirmed by members at the General Meeting dated 12th June 2020 to hold office from 14th November 2019 to 13th November 2024

Mr. K Rangasamy, Mr. P R Sundararajan, were appointed as Independent Directors of the Company pursuant to Section 149 of the Companies Act, 2013 ("the Act") read with Companies (Appointment and Qualification of Directors) Rules, 2014, on 14th November 2016 and their appointment was approved by shareholders at 22nd Annual General Meeting to hold office upto 13th November 2021. The said period was first term as per the explanation to Section 149(10) and 149(11) of the Companies Act, 2013..

The Nomination & Remuneration Committee / Board after taking into account the performance evaluation of these independent directors, during their first term of five years and considering the knowledge, acumen, expertise and experience in their respective field and suitability to the Company, has recommended for shareholder approval the re-appointment of these directors as independent directors on the Board of the Company and to hold office for the second term of five consecutive years commencing from 14th November 2021 till 13th November 2026 by way of special resolution. The Board recommends their re-appointment.

13. Separate Meeting of Independent Directors

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the SEBI LODR Regulation, 2015, a separate meeting of the independent directors of the Company was held on 14th February 2021 to review the performance of non-independent directors (including the chairman) and the Board as whole. The independent directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees, which is necessary to effectively and reasonably perform and discharge their duties.

14. Familiarisation Programme for Directors

At the time of appointing a Director, a letter of appointment is issued incorporating the role, duties and responsibilities expected of him as a Director of the Company. The Director is also explained in

detail the compliance required from him under the Companies Act, 2013, SEBI (LODR) Regulation, 2015 and other relevant regulations and affirmation taken with respect to the same. A meeting is arranged with the Chairman and Managing Director, Chief Financial Officer to discuss with the newly appointed Director to familiarize him with the Company's operations. Further the Company has put in place a system to familiarize the independent directors about the company, its business and the on-going events relating to the Company. Company also organizes site visit for the directors at the time of Board Meeting to make them aware about the process and challenges. The details of the familiarization programmes imparted to independent directors is available at the website of Company at weblink http://www.rppi.com/pdf/policy/Familiarisation-Programme-for-Independent-Directors_1.pdf

15. Skills/ Expertise/ Competence of Directors

Nomination and Remuneration Committee and Board has noted the skill and expertise required for the directors. They have noted that Company being in business of infrastructure development, for planning and execution and understanding, people with the engineering background would suit the most. Further, for the Audit and Financial, the directors with the MBA and financial experience will suit the most. Nomination and Remuneration Committee and Board has properly considered the same and feels that Company has proper mix for Board and Committee.

The following table contains the core skills/expertise/competencies identified by the board of directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the Board:

Name of the Director	Designation	Skill/ Expertise/ Competency
Mr. P Arulsundaram	Chairman and Managing Director	Civil Engineer, 35 years of experience in Civil Engineering filed, comprised of transportation / power / commercial buildings and irrigation projects. Suited to lead the company business.
Mrs. A Nithya	Whole Time Director and Chief Financial Officer	Chief Financial Officer, holds a Master's degree in Business Administration from Anna University, Chennai. She is having experience in finance, accounting and treasury functions.
Mr. P Muralidasan	Non-Executive Director	Civil Engineer, 32 years of experience in Civil Engineering filed.
Mr. K Rangasamy	Independent Director	Master's degree in Agricultural Science from Tamil Nadu Agricultural University, Tamil Nadu. He is having over 38 years of experience in banking sector.
Mr. P R Sundararajan	Independent Director	Civil Engineer, 38 years of experience in Civil Engineering filed.
Mr. R. Kalaimony	Independent Director	He has more than 20 years associated with Tamil Nadu Electricity Board, now named as TANGEDCO under various cadres in execution of many Hydro Project schemes and contract management of those Hydro project schemes.

16. Subsidiary Companies

The details relating to subsidiaries as on 31st March 2021 along with brief profiles of the and other details are provided in Directors Report and its annexure. None of these subsidiaries were material subsidiary during the last financial year.

17. General Body Meeting

The details of the Annual/ Extra-Ordinary General Meetings held during the preceding three years and the Special Resolutions passed there at as under:

AGM	Financial Year	Date & Time	Venue	Details of Special Resolutions passed
22nd	2016-17	Friday 08.09.2017 10.00 A.M.	Builders' Welfare Trust Hall, Builders	No Special Resolution
23rd	2017-18	Friday 07.09.2018 10.00 A.M.	Association of India, No. 35, Perundurai Road,	1. Revision in remuneration of Mr. P Arulsundaram, Chairman and Managing Director; and 2. Revision in remuneration of Mrs. A Nithya, Wholetime Director and Chief Financial Officer
24th	2018-19	Friday, 27.09.2019 10.00 A.M.	Erode – 638 011, Tamil Nadu, India	1. Alteration of Object clause of the Memorandum of Association of the Company. 2. Adoption of Memorandum of Association as per the provision of Companies Act, 2013. 3. Adoption of Article of Association as per the provision of Companies Act, 2013.
17th Extra-Ordinary General Meeting (EGM)	2020-21	Friday 12.06.2021	Through Video Conference (VC)/ Other Audio Visual Means (OAVM) facility	1. Issuance of Warrants Convertible into Equity Shares on Preferential Basis. 2. Appointment of Statutory Auditors to fill the casual vacancy. 3. Appointment of Mr. R. Kalaimony (DIN:08551489) as an Independent Director



AGM	Financial Year	Date & Time	Venue	Details of Special Resolutions passed
25th	2019-20	Thursday 29.10. 2020 2.00 PM	Physically at the venue (at the Registered Office of the Company) as well as through Video Conference (VC)/ Other Audio Visual Means (OAVM) facility	<ol style="list-style-type: none"> To Re-appointment Mr. P Arulsundaram as Chairman and Managing Director. To Re-appointment of Mrs. A. Nithya as Whole Time Director and Chief Financial Officer

- No Court Convened Meeting of Members was held during the year 2019-20.
- No Special Resolution was passed during last year through Postal Ballot.

Resolution, if any, to be passed through Postal Ballot will be taken up, as and when necessary. As of now, Board has not decided to take any resolution by way of postal ballot.

Procedure for conducting voting through postal ballot

Voting through postal ballot is conducted in compliance to the Section 110 of Companies Act, 2013, read along with Rule 22 of Companies (Management and Administration) Rules, 2014 or as per applicable rules at relevant time. The following is the illustrative steps to conduct the voting through postal ballot:

- Company proceeds to prepare draft of Board resolution, postal ballot notice along with explanatory statement and postal ballot form.
- Obtain consent of the Scrutinizer before the Board Meeting.
- Convene Board meeting to approve the draft documents, appoint Scrutinizer, authorize officer to oversee the entire postal ballot "Calendar of events" process.
- Arrange for printing of address slips, notice, postal ballot forms and self-addressed postage pre-paid envelope (with Scrutinizer's name and address).
- Dispatch of notices to shareholders whose names appear in the Register of members as on particular date as decided by the Board.
- Place postal ballot notice on the Company's website.
- File copies of postal ballot notice with stock exchange where the Company has listed its securities.
- Put an advertisement in newspapers showing the date of dispatch of postal ballot forms and last date for receipt of the filled-in forms.
- Number of forms received at the registered office of the Company are ascertained by scrutinizer. The company ensure that receipt stamp is put on the envelope and the same is kept under safe custody. The filled-in forms received after expiry of

thirty days from the date of dispatch of notice shall be treated as if reply from the member has not been received.

- The scrutinizer will submit the report on the outcome of the postal ballot procedure to the Chairman.
- Chairman shall declare the result and publish the same in newspapers. Company shall make arrangements to convey the results to the Shareholders and the Stock Exchanges.
- If the resolution is assented to by requisite majority of the shareholders, then it shall have the same effect of a resolution passed in the General Meeting.
- Company shall file the resolution with the ROC within 30 days of passing.

18. Means of Communication

In terms of Regulation 46 of SEBI (LODR) Regulation, 2015, the Company has been maintaining a functional website, containing basic information about the Company including details of its business, financial information, shareholding pattern, compliance with corporate governance, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances, etc. All the presentation made has been submitted to stock exchanges as well as displayed on the website of the Company. Even transcript of all the calls with the investors are submitted to stock exchanges. The contents of the said website are updated from time to time. There were no specific presentations made to Institutional investors or to analysts during the year.

The quarterly / yearly financial results of the Company are disseminated at once to the stock exchanges after the approval by the Board. These are published in Business Standard (English) and Maalai Sudar (Tamil), which are national and local dailies respectively, and also hosted on the website of the Company for the benefit of the stakeholders.

Results and reports of the company are also available in www.nseindia.com and www.bseindia.com. Official news releases are made whenever it is considered necessary and are communicated to stock exchanges. Similarly, presentations made to investors including institutional investors or to analysts are also submitted to

stock exchanges and also put on the website of the Company. The Company complies with all norms related to proper disclosure and dissemination of information and will keep adhering to same.

19. General Shareholder Information:

a. Information about 26th Annual General Meeting:

Date & Time: Thursday, 30th September 2021 at 2.00 P.M.

Venue: Registered office of the Company

Through Video Conference (VC)/ Other Audio Visual Means (OAVM) facility

b. Financial Year

The financial year of the Company commences with 1st April every year and ends with 31st March in the succeeding year.

Financial Calendar (Tentative)

Results for the quarter ending:

June 30, 2021-	By Third week of August, 2021
September 30, 2021-	By second week of November, 2021
December 31, 2021-	By second week of February, 2022
March 31, 2022 -	By Fourth week of May, 2022

The dates of each of the meeting would be in compliance to SEBI (LODR) Regulations, 2015 including respective Circular.

c. Date of Book Closure

The Register of Members and Share Transfer Books shall not be closed for 26th Annual General Meeting.

d. Dividend payment date

To conserve the resources, your Board don't propose to pay any dividend for the financial year 2020-21.

e. Listing on Stock Exchanges

The Equity shares of the Company are listed on the National Stock Exchange of India Limited (NSE) and the Bombay stock Exchange Limited (BSE).

f. Stock Exchange Security Code and other related information

National Stock Exchange of India Limited	RPPINFRA
BSE Limited	533284
Depository ISIN Number	INE324L01013
Corporate Identification Number (CIN)	L45201TZ1995PLC006113

g. Payment of Listing and Depository Fees

The Company has paid the annual listing fees for the year 2020-21 to NSE and BSE. The Company has also paid custodial fees for the year 2020-21 to National Securities Depository Limited and Central Depository Services (India) Limited.

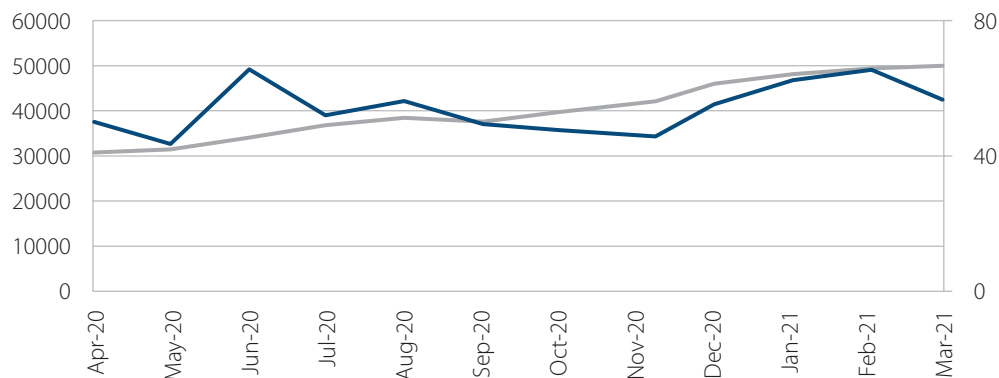
h. Market Price Data:

High/Low (₹) during each month of 2020-21 at BSE and NSE

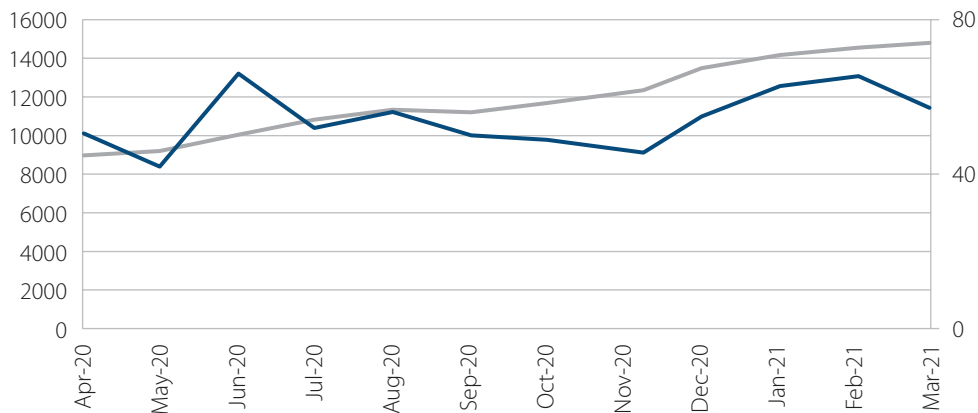
Month	BSE		NSE	
	High ₹	Low ₹	High ₹	Low ₹
April 2020	55.30	31.35	53.35	29.90
May 2020	52.55	38.25	51.95	39.00
June 2020	72.75	44.00	73.00	42.35
July 2020	74.35	50.25	69.30	50.80
August 2020	69.75	49.80	69.90	47.00
September 2020	62.35	46.25	60.00	47.95
October 2020	63.00	47.30	62.60	46.50
November 2020	49.90	40.20	49.65	39.95
December 2020	58.80	44.30	59.00	44.10
January 2021	73.00	55.10	73.45	54.90
February 2021	75.85	62.50	76.00	61.80
March 2021	83.65	55.00	83.20	55.90

i. Share Performance in Comparison to Indices

The following charts compare RPP share prices with the BSE Sensex and NSE Nifty respectively



	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21
— Sensex	30694	31407	34027	36772	38461	37577	39729	42080	46008	48172	49475	50029
— RPPINFRA BSE	50	43.45	65.65	52	56.25	49.40	47.60	45.70	55.25	62.45	65.55	56.6



	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21
— NIFTY	8972.4	9202.8	10049	10821	11338	11204	11686	12352	13494	14175	14547	14800
— RPPINFRA NSE	50.55	41.95	66.05	51.95	56.1	50.05	48.85	45.6	54.9	62.85	65.35	57.15

j. Registrars and Share Transfer Agents

M/s Cameo Corporate Services Limited,
"Subramanian Building",
No. 1, Club House Road,
Chennai 600 002, Tamil Nadu
Email: Cameo@cameoindia.com

k. Share Transfer Process:

The Company's shares are traded on the stock exchange only in electronic mode. Shares in physical form are processed by the Registrar and transfer agents M/s Cameo Corporate Services Limited only after getting approval from shareholders committee. Out of total capital only 848 shares representing 0.0038 percent are held in physical form. The share transfers are registered and returned within the period of 15 days of receipt if documents are in order. Further, MCA and SEBI has laid down restriction in physical share transfer.

l. Reconciliation of Share Capital Audit:

Share Capital Audit to reconcile the admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) with the total issued and listed capital is done at interval as provided by SEBI. The Share Capital Audit Report confirms that the total issued / paid-up capital is intact with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL. All the shares of the Company is listed and admitted with depository and no difference exists between issued and listed capital.

m. Shareholding Pattern as on 31.03.2021:

Category	No. of shares held	Percentage of holding
Promoters	13079739	55.3041
Non- Promoters		
FPI	668091	2.8248
Mutual Funds	397500	1.6807
Clearing Members	76457	0.3233
Corporate Bodies	2041798	8.63
Non-Resident Indians	594292	2.5128
IEPF	1748	0.0074
Resident	6785959	28.6925
Total	23650584	100.0000

n. Distribution of Holdings as on 31.03.2021:

Share holding	Share holders		Shares	
	No of shares	Number	% of total	Shares
01 – 5000	6607	97.8959	1746648	7.3852
5001 – 10000	50	0.7408	371785	1.5720
10001 – 20000	19	0.2815	273942	1.1583
20001 – 30000	13	0.1926	340878	1.4413
30001 – 40000	9	0.1333	317563	1.3427
40001 – 50000	2	0.0296	92646	0.3918
50001 – 100000	21	0.3111	1658562	7.0128
100001 & Above	28	0.4148	18848560	79.6959
Total	6749	100.0000	23650584	100.0000

o. Dematerialization of shares and liquidity:

Dematerialization status of equity shares as on 31st March 2021:

Particulars	No. of Shares	% to Share capital
Central Depository Services (India) Limited	17647083	78.0824
National Securities Depository Limited	4952653	21.9138
Total	22599736	

Almost the entire paid-up capital of the Company (99.996%) is held in dematerialised mode. Further, since the shares of the Company are traded only in dematerialized form and the shares are frequently traded, the shares of the Company are highly liquid.

As earlier informed, Company has allotted 10.50 Lakh equity shares to promoters on preferential allotment basis on 4th March 2021, however, same is not considered in this as listing and trading approval had not been received by the Company by 31st March 2021. Further, these shares are locked in upto 3rd September 2024.

- p.** Company had allotted 40 Lakh warrants convertible into shares on 14th July 2020. 10% Lakh warrants has been converted to equity shares and as 31st March 2021 and as on date of this report 29.50 Lakh warrants are outstanding. Other than above, Company has no outstanding GDRs/ADRs or any Convertible instruments as on 31st March 2021.
- q.** There are no commodity price risk or foreign exchange risk and hedging activities associated with the Company.
- r.** Plant Location: The Company carries out works at various sites, where it executes the contract and the fabrication unit for engineering construction is based at the registered office of the Company.
- s.** Website: Company maintains a functional website containing the all the required information as required to be maintained at <http://www.rppiopl.com/>
- t.** Credit Rating: The Company has received IVR BBB- / Stable Outlook for Long term Bank Facilities & IVR A3 for Short Term Bank Facilities rating from Infomermics Ratings and BWR BBB-/ Stable Upgraded for Long term Bank Facilities & BWR A3 Upgraded for Short Term Bank Facilities rating from Brickwork Ratings during the financial year 2020-21.

u. Address for Investor Correspondence:

R.P.P Infra Projects Limited,
Secretarial Department,
Registered Office: SF No. 454, Raghupathynaiken Palayam,
Railway Colony Post, Poondurai Road,
Erode – 638002
Tamil Nadu
Phone: +91 424 2259022
Fax: +91 424 2253130
Email: secretary@rppiopl.com & ipo@rppiopl.com

20. Disclosures**a. Related Party Transactions**

None of the transactions with any of the related parties viz., Promoters, Directors or the Senior Management, their Subsidiaries or relatives were in conflict with the interest of the Company. Suitable disclosures as required by the Accounting Standard (AS 18) relating to “Related Party Transactions” have been made separately in the Annual Report.

All related party transactions are at arm’s length and on ordinary course of business and does not have any potential conflict with the interest of Company and are based on consideration of business necessity.

Further, Company seeks approval of shareholder for all material related party transaction even if such transactions are at arm’s length and on ordinary course of business and beneficial to the interest of company. Details in relation to related party transaction has been provided in the Board Report.

b. Details of Non Compliances

During the last three years, no penalties or strictures have been imposed on the company by Stock Exchanges, SEBI or any statutory authority for non-compliance on any matter relating to the capital markets. Further, Company has not received any notice of non-compliances from stock exchange, i.e. BSE or NSE.

c. Whistle Blower Policy

The Company had adopted the Whistle Blower Policy. Employees can report to Management concerned unethical behaviour, act or suspected fraud or violation of the Company’s Code of Conduct policy. No personnel have been denied access to the Audit Committee. A copy of the Whistle Blower Policy is also hosted on the website of the Company.



d. **Mandatory and Non-Mandatory Compliances**

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by SEBI. The Company continues to follow the principles of good corporate governance and the Board of Directors lays strong emphasis on transparency, accountability and integrity. Your Company has complied with all the mandatory requirements laid down by SEBI (LODR) Regulation, 2015. The non-mandatory requirements compliance have been disclosed at the relevant places.

e. **Policy on Material Subsidiaries**

In terms of SEBI (LODR) Regulation, 2015, the Board of Directors have adopted a policy with regard to the determination of material subsidiaries and has also hosted the same on the website of the Company at weblink: <http://www.rppi.com/>

f. **Policy on Related Party Transactions**

In terms of SEBI (LODR) Regulation, 2015, the Board of Directors of the Company have adopted a policy and also hosted the same on the website of the Company at weblink: <http://www.rppi.com/pdf/policy/Policy%20on%20Related%20Party%20Transaction.pdf>

g. **Commodity price risks and commodity hedging activities**

Company has its process to safeguard itself from increase in prices of the essential commodity required by it. However, the Company has no commodity price risks and has not done any commodity hedging activities.

h. **Utilization of funds raised**

Company has decided to raise money through preferential allotment. Company has issued 40 Lakh warrants convertible into equal number of equity shares at an issue price of ₹ 90 per warrant for total issue size of ₹ 36 Crores. Company had received 25% of total consideration amounting to ₹ 9 Crores at the time of allotment of warrant. Company had made allotment of said warrant on 14th July 2020. Subsequently, Company has received amount of ₹ 7.09 Crores towards balance 75% consideration for 10.5 Lakh warrants and allotted equal number of shares on March 4, 2021. Balance 29.5 Lakh warrants will also be made fully paid and converted into equity within 18 months of date of allotment.

As per terms of preferential allotment the object of the issue was to meet long-term funding requirements of the Company inter alia to fund Company's growth capital requirements, capital expenditure to enhance its long term resources and thereby strengthening of the financial structure of the

Company and for meeting working capital requirements and for other general corporate purposes. The fund raised has been utilized for the purpose they are raised. The further funds to be received for the warrants will also be utilized for the same purpose.

i. **Dis-qualification of director**

A certificate from Mr. Gouri Shanker Mishra, Partner, BGS MISHRA & Associates, Company Secretaries LLP that none of the directors on the Board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority is attached at end of this report.

j. **Recommendation of Committee**

The board has accepted recommendations of Committee, wherever required and no specific event has arose during the financial year, where the Board has not accepted the recommendation.

k. **Fee paid to Statutory Auditor**

Company has paid an amount of ₹ 9,40,000/- comprising of Tax Audit fee of ₹ 2,00,000/- and Statutory Audit fee of ₹ 7,40,000/- plus applicable tax & re-imbusement and out-of-pocket expenses.

l. **Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company has not received any complaints pertaining to sexual harassment during the year and none of the complaint were pending at the beginning of the financial year.

21. Secretarial Audit and Annual Secretarial Compliance Report

The Company in compliance to Section 204 of the Companies Act, 2013 has appointed Gouri Shanker Mishra, Partner, BGS MISHRA & Associates, Company Secretaries LLP as Secretarial Auditor who has conducted Secretarial Audit for the financial year ended on 31st March 2021 and provided a report, which forms part of Board Report. Further, BGS MISHRA & Associates, Company Secretaries LLP has been appointed as Secretarial Auditor for the financial year 2021-22.

Further, Company has also obtained Annual Secretarial Compliance Report from Gouri Shanker Mishra, Partner, BGS MISHRA & Associates, Company Secretaries LLP as per SEBI Circular CIR/CFD/CMD1/27/2019 dated 8th February 2019, which has been submitted within time as per SEBI Circular to Stock Exchanges.

22. Non-compliance of any requirement of corporate governance

The Company is in compliance to all mandatory requirements in relation to the Corporate Governance Norms and the same has been stated at relevant places as required as per SEBI (LODR) Regulations, 2015 and there are no instances of non-compliance in relation to same.

23. Compliance to discretionary requirement of corporate governance

The Company has complied with all the mandatory requirements in relation to the Corporate Governance and wherever required has also taken steps for compliance/ implementation of discretionary items.

The details of implementation of discretionary items are provided below:

- Since the Chairman is executive, the Company has not provided for Chairperson office of non-executive chairperson.
- Company ensures proper disclosure and dissemination of information. Along with quarterly financial result, Company also provides details of its performance in terms of project and other details, which is provided to stock exchanges for dissemination to shareholders. However, Company does not circulate any half-yearly declaration of financial performance or summary of the significant events of six-months to shareholders.
- The Companies audit report is without any qualification. It had only disclaimer, which has been duly explained at the appropriate place.
- Company has duly adopted discretionary requirement and internal auditor reports are directly placed to the Audit Committee.

24. Disclosures of the compliance with corporate governance requirements

The Company has made all required disclosures in relation to the compliance with corporate governance requirements specified in regulations 17 to 27 and clause (b) to clause (i) of sub-regulation (2) of regulation 46.

25. Details of Unclaimed and Unpaid Dividend:

As at March 31, 2021, dividend amounting to ₹ 2.58 lakh has not been claimed by shareholders. The Company has been intimating shareholders to lodge their claim for dividend from time to time.

As per the provisions of Section 124 of the Companies Act, 2013, dividends remaining unclaimed for a period of seven years from

the date of transfer to the unpaid dividend account are required to be credited to the IEPF. Financial year 2020-21. The company has transfer to IEPF ₹ 44,897.00 for Unpaid Dividend amount for FY 2012-13.

In Pursuant to Section 124(6) of the Companies Act, 2013, the shares in respect of which, dividend has not been paid or claimed for 7 consecutive years or more shall be transferred by the Company to IEPF. The Government of India has notified Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, [Rules], detailing the procedure for such transfer.

In accordance with that, the Company has transfer to IEPF the equity shares in respect of which dividends remain unclaimed for seven consecutive years or more with proper notice to each individual through Registered Post.

The following statements showing the details of unclaimed dividend:

S. No.	Financial Year	Amount Due	Proposed year of transferred to IEPF
1.	2013-14	6,199.00	September, 2021
2.	2014-15	7,755.00	September, 2022
3.	2015-16	66,586.00	September, 2023
4.	2016-17	1,32,996.00	September, 2024
5.	2017-18	44,172.50	September, 2025

26. Disclosure of the Demat Suspense Account

The following are the unclaimed shares in the Demat Suspense Account of the Company as at 31st March 2021:

Particulars	Number of Shareholders	Outstanding shares in the Suspense Account
Aggregate number of shareholders and outstanding shares in the suspense account lying at the beginning and end of the year.	1	80
Total	1	80

During the year, there was no movement of shares in the suspense account has taken place and the shares still remains in suspense account. The shares held in suspense account shall remain frozen till the rightful owners of such shares claim the shares.

27. Code of Conduct

The Board has laid down a Code of Conduct covering the ethical requirements to be complied with covering all the Board Members and Senior Management Personnel of the Company. An affirmation of compliance with the code is received from them on an annual basis. The Code is also hosted on the website of the Company.



A declaration about compliance with Code of Conduct and Ethics for the Board of Directors and Senior Management is provided at the end of this report.

28. CEO/CFO Certification:

The Managing Director and Chief Financial Officer have issued certificate pursuant to Regulation 17(8) of SEBI (LODR) Regulation, 2015 certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs.

A CEO and CFO Certificate as per Regulation 17(8) of SEBI (LODR) Regulations, 2015, is attached at the end of this report.

29. Certificate on Compliance of Corporate Governance

Pursuant to Regulation 15(2) of SEBI (LODR) Regulation, 2015, a certificate from a Gouri Shanker Mishra, Partner, BGS MISHRA & Associates, Company Secretaries LLP certifying the compliance by the Company with the provisions of the Corporate Governance is annexed with this report.

For and on behalf of the Board of Directors

Place: Erode

Date: 19th August, 2021

P Arulsundaram
Chairman & Managing Director

DIN 00125403

Declaration

As provided under SEBI (LODR) Regulation, 2015, the members of Board of Directors and the Senior Management Personnel have affirmed compliance with Companies Code of Conduct and Ethics for the Board of Directors and senior management for the year ended 31st March 2021.

Place: Erode

Date: 19th August, 2021

P Arulsundaram
Chairman & Managing Director

DIN 00125403

CEO and CFO Certificate

To,
The Board of Directors
R.P.P. Infra Projects Limited
Erode

Dear Member of the Board,

We, P Arulsundaram, Chairman and Managing Director and A Nithya, Whole-Time Director and Chief Financial Officer of R.P.P. Infra Projects Limited certify that:

- a) we have reviewed financial statements and the cash flow statement for the Financial Year ended 31st March 2021 and that to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief no transactions entered into by the Company during the year which are fraudulent, illegal or violation of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee that there are no:
 - i. significant changes in internal control over financial reporting during the year;
 - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the company's internal control system over financial reporting.

Place: Erode
Date: 19th August 2021

A Nithya
Chief Financial officer
DIN: 00125357

P Arulsundaram
Chairman and Managing Director
DIN: 00125403



CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE

To,
The Members,
RPP Infra Projects Limited
SF No. 454, Raghupathynaiken Palayam,
Railway Colony Post, Poondurai Road,
Erode - 638002, Tamil Nadu,
INDIA

We have examined the compliance of conditions of Corporate Governance by R.P.P Infra Projects Limited ("the Company") for the year ended 31st March 2021 as per Regulation 15 (2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) as stipulated in Regulation 34(3) read with Schedule V of Listing Regulations.

The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementations thereof adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as per relevant provisions of the Listing Regulations for the period 1st April 2020 to 31st March 2021.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For BGS MISHRA & Associates, Company Secretaries LLP

Gouri Shanker Mishra,
Designated Partner

M. No: F 6906; C P No. 13581
UDIN: F006906C000802901

Place: Chennai
Date: 18th August 2021

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
RPP Infra Projects Limited
SF No. 454, Raghupathynaiken Palayam,
Railway Colony Post, Poondurai Road,
Erode - 638002, Tamil Nadu,
INDIA

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of R.PP Infra Projects Limited ("the Company") produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its Officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority as on date of this report:

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Mr. Arul Sundaram Poosappan	00125403	04/05/1995
2	Mrs. Arulsundaram Nithya	00125357	19/02/1999
3	Mr. Muralidasan Perumal	01771215	01/04/2008
4	Mr. Rangasamy Kulanthasamy	07103549	14/11/2016
5	Mr. P R Sundararajan	07647740	14/11/2016
6	Mr. Ramasamy Kalaimony	08551489	14/11/2019

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For BGS MISHRA & Associates, Company Secretaries LLP

Gouri Shanker Mishra,
Designated Partner

M. No: F 6906; C P No. 13581
UDIN: F006906C000802899

Place: Chennai
Date: 18th August 2021



INDEPENDENT AUDITOR'S REPORT

To
The Members of
R.P.P. Infra Projects Ltd.

Report on the Audit of the Standalone Financial Statements

Opinion

I have audited the accompanying standalone financial statements of R.P.P. INFRA PROJECTS LIMITED ("the Company"), which comprise the Balance sheet as at 31st March 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information, which includes two branches.

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

I conducted my audit in accordance with the Standards on Auditing ("SA's") specified under section 143(10) of the Companies Act, 2013. My responsibilities under those Standards are further described

I have determined the matters described below to be the key audit matters to be communicated in my report.

S. No.	Key Audit Matter	Auditor's Response
1.	<p>Revenue recognition in accordance with Ind AS 115 "Revenue from Contracts with Customers"</p> <p>The Company inter alia engages in Fixed-price development contracts, where, revenue is recognized using the percentage of completion computed as per the input method based on management's estimate of contract costs. (Refer Notes No. 27 to the Standalone Financial Statements)</p> <p>I identified revenue recognition of fixed price development contracts as a KAM considering –</p> <ul style="list-style-type: none"> There is an inherent risk around the accuracy of revenues given, the customised and flexible nature of these contracts in terms of tenure of the projects. 	<p>My audit procedures on revenue recognized from fixed price development contracts include</p> <ul style="list-style-type: none"> Understanding of the systems, processes and controls implemented by management for recording and calculating revenue and work-in-progress/Contract Assets. On selected samples of contracts, i tested that the revenue recognized is in accordance with the accounting standard by – <ul style="list-style-type: none"> Evaluating the performance obligation; Testing management's calculation of the estimation of contract cost and onerous obligation, if any. I : <ul style="list-style-type: none"> Observed that the estimates of cost to complete were reviewed and approved by appropriate levels of management;

in the Auditor's responsibilities for the Audit of the Financial Statements section of my report.

I am independent of the Company in accordance with the Code of Ethics issued by The Institute of Chartered Accountants of India together with the ethical requirements that are relevant to my audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, and i have fulfilled my other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. I believe that the audit evidence obtained by me is sufficient and appropriate to provide a basis for my opinion on the standalone financial statements.

Emphasis of Matters

Il draw attention to note No.2.03(viii) of the Standalone financial statements in which the Company describes the uncertainties arising from the Covid-19 Pandemic. My report is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and i do not provide a separate opinion on these matters.

S. No.	Key Audit Matter	Auditor's Response
	<ul style="list-style-type: none"> Application of revenue recognition accounting standard is complex and involves a number of key judgments and estimates including estimating the future cost-to-completion of these contracts, which is used to determine the percentage of completion of the relevant performance obligation; These contracts may involve onerous obligations on the Company that require critical estimates to be made by management; and At year-end a significant amount of work in progress (Contract assets and liabilities) related to these contracts is recognised in the balance sheet. 	<ul style="list-style-type: none"> Performed a retrospective review of costs incurred with estimated costs to identify significant variations and verify whether those variations have been considered in estimating the remaining costs to complete the contract; and Assessed the appropriateness of work in progress (contract assets) in balance sheet by evaluating the underlying documentation to identify possible delays in achieving milestones which may require change in estimated costs to complete the remaining performance obligations.
2.	<p>Evaluation of Going Concern assumption of accounting :</p> <p>The evaluation of the appropriateness of adoption of going concern assumption for preparation of these financial statements performed by the management of the Group is identified as a key audit matter .</p> <p>The Group has prepared future cash flow forecasts which involves judgement and estimation of key variables and market conditions including future economic conditions on account of prevailing global pandemic COVID-19</p> <p>The Group is confident that the net cash inflows from operating activities in conjunction with the available line of credit and normal cyclical nature of working capital receipts and payment will provide sufficient liquidity to meet its financial obligation as the fall due for the following twelve months. Hence, these financial statements have been prepared adopting the going concern assumption.</p>	<p>Our procedures in relation to evaluation of going concern included the following:</p> <ul style="list-style-type: none"> Obtained an understanding of the process followed by the management and tested the internal controls over the liquidity assessment, compliance with the debt covenants and preparation of the cash flow forecast, and validation of the assumptions and inputs used in the model to estimate the future cash flows. Tested the inputs and assumptions used by the management in the cash flow forecast against historical performance, budgets, economic and industry indicators, publicly available information, the Group's strategic plans and benchmarking of key market related conditions. f Assessing the key assumptions including those pertaining to revenue and the timing of significant payments in the cash flow forecast for the following eighteen months. Performed sensitivity analysis on key assumptions like input prices, discount rate and selling prices to determine their impact on the projections of future cash flows also on any possible cash outgo for securing the extension of the Rajasthan oil and gas block. Compared the details of the Group's long-term credit facilities to the supporting documentation. f <p>Assessed the disclosures made by the Group in this regard.</p>
3.	<p>Measurement of contract assets in respect of overdue milestones and receivables in respect of overdue invoices</p> <p>The Company, in its contract with customers, promises to transfer distinct services to its customers, which may be rendered in the form of engineering, procurement, and construction (EPC) services through design-build contracts, and other forms of construction contracts. The recognition of revenue is based on contractual terms, which could be based on agreed unit price</p>	<p>The procedures performed included the following:</p> <ul style="list-style-type: none"> obtained an understanding of the Company's processes in collating the evidence supporting execution of work for each disaggregated type of revenue; obtained an understanding of the Company's processes in assessing the recoverability of amounts overdue and process over estimating the expected credit loss allowance;



S. No.	Key Audit Matter	Auditor's Response
	<p>or lump-sum revenue arrangements. At each reporting date, revenue is accrued for costs incurred against work performed that may not have been invoiced. Identifying whether the Company's performance has resulted in a service that would be billable and collectable where the works carried out have not been acknowledged by customers as of the reporting date, or in the case of certain defence contracts, where the evidence of work carried out and cost incurred are covered by confidentiality arrangements, involves a significant amount of judgment. Assessing the recoverability of contract assets related to overdue milestones and amounts overdue against invoices raised which have remained unsettled for a significantly long period after the end of the contractual credit period also involves a significant amount of judgment.</p> <p>Refer to Note No. 2.14(i) and Note No.27 of the standalone financial statements</p>	<ul style="list-style-type: none"> • tested the design and operating effectiveness of the key controls over the completeness and accuracy of the key inputs and assumptions into the provisioning model; • evaluated controls over authorisation and calculation of provisioning model; • evaluated the delivery and collection history of customers against whose contracts un-invoiced revenue is recognised; • verified for the sample selected, receipts post balance sheet date upto the approval of the financial statements by the Board of Directors of the Parent Company; • performed an overall assessment of the expected credit loss provision to determine if they were reasonable considering the Company's portfolio, risk profile, credit risk management practices and the macroeconomic environment; and • tested the appropriateness of the disclosures in the financial statements to ensure compliance with Ind AS 115
4.	<p>Physical verification of Inventory</p> <p>The Company's management conducts physical verification of inventories during the year at reasonable intervals, however, on account of the COVID-19 related lockdown restrictions, management was able to perform year end physical verification of inventories, only at certain locations. Management has carried out other procedures to validate the existence of its inventory as at the year-end, such as carrying out consumption analysis, and performing roll-back procedures from the subsequent year end physical verification date to determine the quantities of the inventory at the balance sheet date. Refer Note No. 2.11 of the standalone financial statements</p>	<p>The procedures performed included the following:</p> <ul style="list-style-type: none"> • Understood the process and tested the management's internal controls to establish the existence of inventory in relation to the process of periodic physical verification carried out by the management, the scope and coverage of the periodic verification programme, the results of such verification including analysis of discrepancies, if any; • At selected locations subsequent to year-end, where the management appointed third party independent chartered accountants to perform physical verification, sent instructions to the third party chartered accountants to carry out the physical verification and provided samples to be verified by them. We have received the report of the physical verification carried out by the third party independent chartered accountants. Obtained the roll back procedures performed by the management from the subsequent year-end physical verification date to arrive at the quantities as at the balance sheet date. Traced the samples physically verified by the third party independent chartered accountants roll back workings provided by the management. • Inspected, for samples selected, supporting documentation relating to purchases and consumption, and such other third party evidences where applicable. • Tested the analytical reviews performed by the Company such as consumption analysis.

S. No.	Key Audit Matter	Auditor's Response
5.	<p>Claims and exposures relating to taxation and litigation</p> <p>The Group is subject to a large number of tax and legal disputes, which have been disclosed / provided for in the financial statements based on the facts and circumstances of each case.</p> <p>Taxation and litigation exposures have been identified as a key audit matter due to the complexities involved in these matters, timescales involved for resolution and the potential financial impact of these on the financial statements. Further, significant management judgement is involved in assessing the exposure of each case and thus a risk that such cases may not be adequately provided for or disclosed.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • Gained an understanding of the process of identification of claims, litigations and contingent liabilities and identified key controls in the process. • For selected controls we have performed tests of controls. • Obtained the summary of Group's legal and tax cases and critically assessed management's position through discussions with the Legal Counsel, Head of Tax and operational management, on both the probability of success in significant cases, and the magnitude of any potential loss. • Examined external legal opinions (where considered necessary) and other evidence to corroborate management's assessment of the risk profile in respect of legal claims. • Assessed the relevant disclosures made within the financial statements to address whether they reflect the facts and circumstances of the respective tax and legal exposures and the requirements of relevant accounting standards. <p>Assessed the competence and objectivity of the Group's experts, to satisfy ourselves that these parties are suitable in their roles.</p>

We have determined that there are no other Key Audit Matters to communicate in our report.

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

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the standalone financial statements and our auditors' report thereon.

My opinion on the standalone financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the standalone financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work i have performed, i conclude that there is a material misstatement of this other information; I have required reporting that fact. I have nothing to report in this regard.

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 Companies Act, 2013 ("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 principles generally accepted in India, including the Ind AS specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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



Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my 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, I exercise professional judgment and maintain professional scepticism throughout the audit. I 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 my 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, I am also responsible for expressing my 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit 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.

- Obtain sufficient appropriate audit evidence regarding the financial information of the Company and its joint operations to express an opinion on the standalone financial statements. I am responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the standalone financial statements of which I am the independent auditor. For the other entities included in the standalone financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. I remain solely responsible for my audit opinion.

I 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 I identify during my audit.

I also provide those charged with governance with a statement that I 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 my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

I did not audit the financial statements of Two branches and Six jointly controlled operations included in the standalone financial results of the Company, whose results reflect total assets of Rs. 51.06 crores as at 31st March, 2021 and total revenues of Rs. 145.94 crores and Rs.45.93 crores, net profit/(Loss) after tax of (Rs.3.48 crores) and Rs.(0.41 crores) and total comprehensive income of Rs.Nil for the year ended March 31st 2021 and for the period 01.01.2021 to 31.03.2021 respectively, and net cash flows amounting to Rs.55.45 crores for the year then ended. These branch financial statements have not been audited by other Auditors whose reports and These JV's financial statements have been audited by other Auditors whose reports have been furnished to me by the Management and my opinion on the consolidated Financial Results, in so far as it relates

to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by me are as stated in paragraph above. My opinion is not modified in respect of this matter.

Emphasis of Matter

I invite attention to:

The mobilisation advance received by the Company from certain departments and the proportionate amount which has to be classified as GST liability has been shown as mobilisation advance liability to the extent of Rs. 1.99 Crores (Refer Note No. 23).

My Opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, I give in the Annexure-B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, I report that:

- (a) I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit.
 - (b) In my opinion, proper books of account as required by law have been kept by the Company so far as it appears from my examination of those books.
 - (c) The reports and accounts of the branch offices situated in Srilanka and Bangladesh have not been audited by me and I have not received any audit report for the same.
 - (d) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.
 - (e) In my opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (f) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (g) 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 my separate Report in "Annexure A".
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in my opinion and to the best of my information and according to the explanations given to me:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note No. 39 to the financial statements.
 - 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 Holding Company, and its subsidiary companies, associate companies and jointly controlled companies incorporated in India.

For CA **S.N. Duraiswamy**
Chartered Accountant

Place: Erode
Date: 01 June, 2021

Membership No. : 026599
UDIN :21026599AAAADU2320



ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

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

I have audited the internal financial controls over financial reporting of RPP Infra Projects Limited as of March 31, 2021 in conjunction with my audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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

My responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on my audit. I conducted my audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that I 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. My audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. My 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the Company's internal financial controls system over financial reporting, except

relating to the branches in Srilanka and Bangladesh.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In my opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements are operating effectively as at 31 March 2020, except relating to the branches in Srilanka and Bangladesh for which I have neither audited nor received an Independent Auditor's report on the same, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For CA S.N. Duraiswamy
Chartered Accountant

Place: Erode
Date: 01 June, 2021

Membership No. : 026599
UDIN :21026599AAAADT8001

ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the year ended 31st March 2021.

According to information and explanations given to me, I report that:

1. In respect of the Company's fixed assets:

- a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b) The fixed assets have been physically verified by the management during the year which, in my opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
 - c) The title deeds of all the immovable properties of the Company shown under the Fixed Assets schedule are held in the name of Company.
2. The inventories have been physically verified by the management at reasonable intervals during the year. In my opinion, the frequency of such verification is reasonable and no discrepancies were noticed at the time of verification.
 3. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company.
 4. In my opinion and according to explanations given to me, the company has complied with the provisions of the sections 185 and 186 of the Act, with respect to the loans given, investment made, guarantees and security given.
 5. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
 6. I have broadly reviewed the books of account maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records u/s 148 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. I have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
 7. According to the information and explanations given to me, in respect of statutory dues:
 - a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, Goods and Service tax, duty of customs, cess and any other statutory dues to the appropriate authorities have generally been regularly deposited except the Income Tax due of financial year 2018-19 which is not paid with the appropriate authorities.

Name of the Statute	Nature of Liability	Amount in Rs.
Income Tax Act	Income tax – 2018 – 2019	1,73,31,375

- b) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, Goods and Service tax, duty of customs, cess and any other statutory dues to the appropriate authorities have generally been regularly deposited with the appropriate authorities though there had been delays in the following cases

Name of the Statute	Nature of Liability	Amount in Rs.
Goods and Service Tax Act	Tax payable under Reverse Charge Mechanism	42,36,926
Service Tax Act	Service tax liability	53,63,313
Income Tax Act	Income tax – 2016-17	13,28,336
Income Tax Act	Income tax – 2014-15	1,09,79,556
Income Tax Act	Income tax – 2010-11	49,95,806
Income Tax Act	Income tax – 2011-12	30,99,224



c) Details of dues of Income Tax and Service Tax which have not been deposited as at March 31, 2021 on account of dispute are given below:

Name of Statute	Nature of the due	Amount in Rs.	Period to which the amount relates	Forum where the dispute is pending	Date of Demand Raised	Date of Response	Amount Unpaid	Remarks
Income Tax Act	Income Tax	5,066	2005-06	The Deputy Commissioner of Income Tax, Central Circle II, Coimbatore	29/10/2008	29/05/2015 - Transaction- ID 2156246968	5,066	A detail of Demand is not known. Requested for the demand details.
Income Tax Act	Income Tax	24,14,650	2005-06	The Deputy Commissioner of Income Tax, Central Circle II, Coimbatore	17/08/2007	12/05/2015 - 2140626493	24,14,650	A detail of Demand is not known. Requested for the demand details.
Income Tax Act	Income Tax	8,268	2007-08	The Deputy Commissioner of Income Tax, Central Circle II, Coimbatore	19/3/2010	29/05/2015 - 2156248760	8,268	A detail of Demand is not known. Requested for the demand details.
Income Tax Act	Income Tax	2,546	2008-09	The Deputy Commissioner of Income Tax, Central Circle II, Coimbatore	23/02/2011	29/05/2015 - 2156249791	2,546	A detail of Demand is not known. Requested for the demand details.
Income Tax Act	Income Tax	67,33,908	2008-09	The Deputy Commissioner of Income Tax, Central Circle II, Coimbatore	16/11/2017	-	67,33,908	Response not submitted till date.
Income Tax Act	Income Tax	141,81,035	2009-10	The Deputy Commissioner of Income Tax, Central Circle II, Coimbatore	21/08/2019	-	40,23,428	Portal not updated since 2016. To give effect to assessment order. And also the tax paid in the 3 instalments.
Income Tax Act	Income Tax	2,47,29,787	2010-11	The Deputy Commissioner of Income Tax, Central Circle II, Coimbatore	21/08/2019	-	66,40,035	Portal not updated since 2016. To give effect to assessment order. And also the tax paid in the 3 instalments.
Income Tax Act	Income Tax	0	2011-12	The Deputy Commissioner of Income Tax, Central Circle II, Coimbatore	21/08/2019	-	0	Portal not updated since 2016. To give effect to Order under Sec 245D(6) Dated 20/06/2019.
Income Tax Act	Income Tax	0	2012-13	The Deputy Commissioner of Income Tax, Central Circle II, Coimbatore	21/08/2019	-	0	Portal not updated since 2016. To give effect to Order under Sec 245D(6) Dated 20/06/2019.
Income Tax Act	Income Tax	6,88,497	2013-14	Income Tax Department-CPC	21/08/2019	-	6,88,497	
Income Tax Act	Income Tax	21,49,664	2014-15	Income Tax Department-CPC	21/08/2019	-	21,49,664	
Income Tax Act	Income Tax	9,20,190	2015-16	Income Tax Department-CPC	30/01/2020	-	9,20,190	Appeal filed on 26/02/2021.
Income Tax Act	Income Tax	4,36,51,960	2015-16	Income Tax Department-CPC	30/01/2020	-	4,36,51,960	Appeal filed on 26/02/2021.
Income Tax Act	Income Tax	35,17,720	2016-17	Income Tax Department-CPC	15/03/2021	-	35,17,720	Portal not updated. Give effect to the appellate order.
Income Tax Act	Income Tax	7,01,02,480	2016-17	Income Tax Department-CPC	15/03/2021	-	7,01,02,480	Portal not updated. Give effect to the appellate order.
Income Tax Act	Income Tax	28,52,590	2017-18	Income Tax Department-CPC	16/10/2019	-	0	Rectification request 143(3) to be placed.
Income Tax Act	Income Tax	10,20,44,700	2017-18	Income Tax Department-CPC	16/10/2019	-	0	Rectification request 143(3) to be placed.
Income Tax Act	Income Tax	5,96,66,460	2018-19	Income Tax Department-CPC	21/03/2021	-	5,96,66,460	Response to 143(1) is yet to be made.

Name of Statute	Nature of the due	Amount in Rs.	Period to which the amount relates	Forum where the dispute is pending	Date of Demand Raised	Date of Response	Amount Unpaid	Remarks
Service Tax Act	Service Tax	2.52 Crores	2004-09	Commissioner of Central excise dept	13/12/2010	-	2.52 Crores	Awaiting decision or order in response to the appeal filed, from the department.
Service Tax Act	Service Tax	0.63 Crores	2010	Commissioner of Central excise dept	13/12/2010	-	0.63 Crores	Awaiting decision or order in response to the appeal filed, from the department.
Service Tax Act	Service Tax	1.87 Crores	2010-11	Commissioner of Central excise dept	13/12/2010	-	1.87 Crores	Awaiting decision or order in response to the appeal filed, from the department.
Service Tax Act	Service Tax	3.44 Crores	2012	Commissioner of Central excise dept	13/12/2010	-	3.44 Crores	Awaiting decision or order in response to the appeal filed, from the department.
Service Tax Act	Service Tax	2.18 Crores	2012-13	Commissioner of Central excise dept	13/12/2010	-	2.18 Crores	Awaiting decision or order in response to the appeal filed, from the department.
Service Tax Act	Service Tax	12.29 Crores	2014-17	Commissioner of Central excise dept	30/12/2020	-	12.29 Crores	
Value Added Tax	VAT	97.57 Crores	2012-15	Commissioner of Commercial Tax dept	04/11/2020	--	97.57 Crores	Petition filed in the High court.
Income Tax Act	TDS	5,38,000		Income Tax Department-CPC		-	5,38,000	

8. Based on my audit procedures, I have the opinion that the company has not defaulted in repayment of dues to its bank, financial institution, and to the Government for the year ended 31-03-2021. There are no Debenture holders for the Company.
9. No monies were raised through initial public offer during the year. The monies raised through term loans were applied for the purpose for which they have been raised.
10. Based upon the audit procedures performed, I report that no fraud by the company and no fraud on the Company by its officers / employees has been noticed or reported during the course of my audit.
11. The Managerial Remuneration has been paid / provided in accordance with the requisite approvals mandated by Sec. 197 read with Schedule V to the Act.
12. The Company is not a Nidhi Company and therefore clause 3(12) of the Order is not applicable to the Company and i do not comment upon this provision.
13. In my opinion, all the Related Party Transactions entered into by the Company during the year are in compliance with the provisions Sec. 188 & 177 of the Act and the details thereof have been disclosed in the Financial Statements as required by the Accounting standards and the Act.
14. The Company has made a private placement of shares during the year and the requirement of sec 42 have been complied with and amount raised has been used for the purpose for which it was raised.
15. The Company has not entered into any non-cash transactions with directors/ persons connected with him as stipulated u/s. 192 of the Act. Clause 3(15) of the Order is therefore not applicable to the Company.
16. In my opinion, the Company is not required to be registered u/s 45-IA of the Reserve Bank of India Act, 1934.

Place: Erode
Date: 01 June, 2021

For CA **S.N. Duraiswamy**
Chartered Accountant
Membership No. : 026599
UDIN :21026599AAAADT8001



Balance Sheet as on 31st March 2021

Particulars	Note Number	(₹ In Crores)	
		As at 31st March 2021	As at 31st March 2020
Assets			
Non-current assets			
Property, plant and equipment	3	46.99	47.67
Capital work in progress	4	4.08	3.91
Other Intangible assets	5	0.01	0.26
Financial assets		0.00	0.00
Investments	6	7.14	7.17
Long Term Loans & Advances	7	2.64	2.45
Deferred Tax Asset	8	0.00	0.00
Other Non-Current Assets	9	4.48	2.54
Total		65.34	63.99
Current assets			
Inventories	10	11.32	24.18
Financial assets			
Investments	6	0.00	0.00
Trade Receivables	11	145.93	147.43
Cash and Cash equivalents	12	107.01	51.57
Short Term Loans & Advances	13	33.28	35.91
Other Financial Asset	14	147.76	142.96
Other Current Assets	15	97.48	103.04
Current Tax Assets (net)	27	10.13	0.00
Total		552.91	505.08
Total assets		618.25	569.07
Equity and liabilities			
Equity			
Equity Share Capital	16	23.65	22.60
Share Warrant	17	6.64	0.00
Other Equity	17	237.52	213.57
Total equity		267.81	236.17
Non-current liabilities			
Financial liabilities			
Borrowings	18	68.42	44.92
Other Financial Liabilities	19	0.00	0.00
Deferred Tax Liability (Net)	8	0.01	0.88
Provisions	20	0.30	0.20
Total		68.73	46.00
Current liabilities			
Financial Liabilities			
Borrowings	21	42.91	49.93
Trade payables	22		
(a) Total outstanding dues of micro enterprises & small enterprises		0.00	0.63
(b) Total outstanding dues of creditors other than micro enterprises & small enterprises		128.23	118.70
Other current financial liabilities	23	89.61	93.50
Other Current Liabilities	24	12.41	16.82
Short Term Provisions	25	2.47	2.43
Current Tax Liabilities (Net)	26	6.08	4.87
Total		281.71	286.89
Total liabilities		350.44	332.89
Total equity and liabilities		618.25	569.07

Summary of significant accounting policies

1 & 2

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

As per our report of even date

On behalf of Board of Directors

CA S N DURAISWAMY
Membership No. :026599

P. Arul Sundaram
Chairman &
Managing Director
DIN: 00125403

A. Nithya
Whole Time Director &
Chief Financial Officer
DIN: 00125357

Date : 01.06.2021

Place :Erode

Pradeep Kumar Nath
Company Secretary

M.No: 40148

Statement of Profit & Loss for the year ended 31st March 2021

(₹ In Crores)

Particulars	Note Number	For the year ended 31st March 2021	For the year ended 31st March 2020
Revenue from operations	27	477.90	575.69
Other income	28	11.21	9.62
Total income		489.10	585.31
Expenses			
Cost of Raw materials and components Consumed	29	122.22	155.81
Direct Operating Cost	30	287.11	323.67
Employee benefits expense	31	10.94	13.41
Finance Cost	32	18.95	22.68
Depreciation and amortization expense	33	6.11	7.16
Other expenses	34	21.61	27.79
Total expense		466.94	550.52
Profit/(loss) before Exceptional		22.16	34.79
Exceptional Item		0.00	0.00
Profit / (Loss) after Exceptional Before tax		22.16	34.79
Income Tax Expense			
Current Tax	35	7.49	9.74
Taxes of earlier years		0.00	5.62
Deferred tax		(0.86)	0.14
Total Tax Expense		6.62	15.49
Profit/(loss) for the year		15.53	19.30
Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss		0.00	0.00
Remeasurement of defined benefit plans		0.09	0.00
Net change in fair values of investments in equity shares carried at fair value through OCI		0.00	0.00
(ii) Income tax relating to items that will not be reclassified to profit or loss		0.00	-0.20
B (i) Items that will be reclassified to profit or loss		0.00	0.01
(ii) Income tax relating to items that will be reclassified to profit or loss		0.00	0.05
Other Comprehensive Income for the period / year, net of tax		0.09	-0.14
Total comprehensive income for the year, net of tax		15.44	19.44
Basic Earnings per share		6.57	8.54
Diluted Earnings per share		6.57	8.54
Summary of significant accounting policies	1 & 2		

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

As per our report of even date

On behalf of Board of Directors

CA S N DURAISWAMY
Membership No. :026599

P. Arul Sundaram
Chairman &
Managing Director
DIN: 00125403

A. Nithya
Whole Time Director &
Chief Financial Officer
DIN: 00125357

Date : 01.06.2021
Place :Erode

Pradeep Kumar Nath
Company Secretary
M.No: 40148



Statement of Cash Flow for the year ended 31st March 2021

Particulars	(₹ In Crores)	
	For the year ended 31st March 2021	For the year ended 31st March 2020
PROFIT BEFORE TAX	22.16	34.79
NON-CASH ADJUSTMENTS TO RECONCILE PROFIT/(LOSS) BEFORE TAX TO NET CASH FLOWS		
Add: Depreciation	6.11	7.16
Add: Interest paid	18.95	22.68
Less: Interest received	(2.37)	(2.45)
Add: (Profit)/Loss on sale of Property, Plant and Equipment (Net)	0.16	0.01
Add: (Profit)/Loss on sale of Investment (Net)	0.02	0.00
Add: Changes in WIP	0.94	0.00
Add: Other non-cash items	0.00	0.15
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	45.96	62.34
WORKING CAPITAL ADJUSTMENTS		
Increase / (Decrease) in Trade Payables	8.90	(19.51)
Increase / (Decrease) in Other Current Financial Liabilities	(3.89)	26.88
Increase / (Decrease) in Other Current Liabilities	(4.41)	(44.08)
Increase / (Decrease) in Short Term Provisions	0.04	0.15
(Increase) / Decrease in Trade Receivables	1.50	16.02
(Increase) / Decrease in Inventories	12.86	(3.94)
(Increase) / Decrease in Other Non-Current Assets	(1.94)	(0.38)
(Increase) / Decrease in Short Term Loans & Advances	2.63	2.59
(Increase) / Decrease in Other Financial assets	(4.81)	27.17
(Increase) / Decrease in Other Current Assets	5.56	(15.85)
Increase / (Decrease) in Provisions	0.10	0.00
Other Adjustments	(2.03)	1.02
Less: Direct Taxes Paid	(15.36)	(16.35)
Cash Flow from / (used) in Operating Activities	45.11	36.04
CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from Investments	0.03	(0.01)
Payments for Purchase of Property, Plant and Equipment	(5.49)	(0.85)
Proceeds from Sale of Property, Plant and Equipment	0.00	0.03
Interest received	2.37	2.45
Cash Flow from / (used) in Investing Activities	(3.09)	1.63
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from borrowings	23.50	0.00
Repayment of borrowings	(7.02)	(9.35)
Net changes in Long Term Loans & Advances	(0.19)	(2.45)
Interest paid	(18.95)	(22.68)
Purchase of equity or debt instruments of other entities	7.69	0.00
Others	8.40	0.00
Cash Flow from / (used) in Financing Activities	13.42	(34.47)
Net increase in cash and cash equivalents	55.44	3.20
Add: Cash and Cash Equivalents at the beginning of the period	51.57	48.37
Cash and Cash Equivalents at the end of the period	107.01	51.57

Notes:

- Statement of cash flows has been prepared under the indirect method as set out in the IND AS 7 "Statement of cash Flows" as specified in the companies (indian accounting Standards) Rules, 2015
- Previous year figures have been regrouped/reclassified wherever required

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

As per our report of even date

On behalf of Board of Directors

CA S N DURAISWAMY
Membership No. :026599

P. Arul Sundaram
Chairman &
Managing Director
DIN: 00125403

A. Nithya
Whole Time Director &
Chief Financial Officer
DIN: 00125357

Date : 01.06.2021
Place :Erode

Pradeep Kumar Nath
Company Secretary
M.No: 40148

Statement of Changes in Equity for the year ended 31st March 2021**a. Equity Share Capital**

(₹ In Crores)

Particulars	Number	Amount
Equity shares of Rs 10 each issued, subscribed and fully paid		
As at 31 March 2020	2,26,00,584.00	22.60
Issue of share capital	10,50,000.00	1.05
As at 31 March 2021	2,36,50,584.00	23.65

b. Other Equity

(₹ In Crores)

Particulars	Share Premium	Retained Earnings	Foreign Currency Translation Reserve	Other Reserves	Total Other Equity
As at 1 April 2020	39.65	171.54	-	2.38	213.57
Profit for the period		15.53			15.53
Share Warrant Premium	8.40	-			8.40
Others		-0.08			-0.08
Other comprehensive income	-	0.09	-	-	0.09
As at 31st March 2021	48.05	187.08	-	2.38	237.52
As at 1 April 2019	39.65	151.08	-	2.38	193.12
Profit for the period	-	19.30	-	-	19.30
ITSC		1.02			1.02
Other comprehensive income	-	0.14	-	-	0.14
As at 31st March 2020	39.65	171.54	-	2.38	213.57

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

As per our report of even date

On behalf of Board of Directors

CA S N DURAISWAMY
Membership No.:026599

P. Arul Sundaram
Chairman &
Managing Director
DIN: 00125403

A. Nithya
Whole Time Director &
Chief Financial Officer
DIN: 00125357

Date : 01.06.2021
Place :Erode

Pradeep Kumar Nath
Company Secretary
M.No: 40148



Notes to Ind AS Financial Statements for the year ended 31st March 2021

Note 1 : Company Overview

RPP Infra Projects Limited has been engaged in nation-building since 1995. It is engaged in construction across multiple infrastructure verticals like roads, buildings, industrial structures, power, irrigation and water management and has executed many projects in Tamil Nadu, Kerala, Karnataka, Andhra Pradesh, Telungana, Madhya Pradesh and Maharastra for 20 years.

Note 2 : Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these standalone financial statements.

2.01 Statement of compliance

Recent Accounting Developments:

1) New Standards notified and adopted by the Company

MCA on 29 March 2018 notified the new standard for revenue recognition – Ind AS 115 (effective from 1 April 2018) which overhauls the existing revenue recognition standards including Ind AS 18 – Revenue and Ind AS 11 – Construction contracts. The new standard provides a control-based revenue recognition model and provides a five-step application principle to be followed for revenue recognition:

- a) Identification of the contracts with the customer
- b) Identification of the performance obligations in the contract
- c) Determination of the transaction price
- d) Allocation of transaction price to the performance obligations in the contract (as identified in step b)
- e) Recognition of revenue when the Company satisfies a performance obligation.

A number of other standards had been modified on miscellaneous issues with effect from 1st April 2018. Such changes include principle for transfer of asset to, or from, Investment Property (Amendment to Ind AS 40), determination of exchange rate for translation of foreign currency where a pre-payment asset or a deferred income liability is recognized (Amendment to Ind AS 21), segregation of deductible temporary differences in accordance with tax laws and assessing them on that basis to recognize deferred tax asset (Amendment to Ind AS 12), permitting election of fair value or equity method of accounting for investments in associates and joint ventures by venture capital, mutual fund and other similar organisations (Amendment to Ind AS 28) and Applicability of disclosure requirements to interests classified as held for sale or as discontinued operation (Amendment to Ind AS 112).

None of these amendments have any material effect on the Company's financial statements.

2) Ind AS New Standard notified but not early adopted by the Company

(i) New Accounting Standard on Lease

Ind AS 116 replaces existing standard Ind AS 17 "Leases". The standard is effective for annual periods beginning on or after April 1, 2019.

Ind AS 116 introduces a single, on balance sheet lease accounting model for lessees. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short term leases and leases of low value items. Lessor accounting remains similar to the current standard.

The said amendment does not have any impact on the financial statements.

(ii) Other amendments

Several other accounting standards have been modified on miscellaneous issues with effect from 1st April 2019. Such changes include clarification/guidance on:

- a) business combination accounting in case of obtaining control of a joint operation;
- b) accounting in case of obtaining joint control of an operation wherein there was no joint control earlier;
- c) income tax consequences in case of dividends;

Notes to Ind AS Financial Statements for the year ended 31st March 2021

- d) accounting for income tax when there is uncertainty over income tax treatment of an item by tax authorities;
- e) accounting treatment for specific borrowings post capitalization of corresponding qualifying asset;
- f) accounting for prepayment features with negative compensation in case of debt instruments;
- g) accounting for plan amendment, curtailment or settlement occurring in-between the reporting periods in case of long-term employee benefit
- h) accounting for long-term interests in associates and joint ventures to which the equity method is not applied but that in substance form part of

None of these amendments are expected to have any material effect on the Company's financial statements.

2.02 Basis of Preparation

The Financial Statements comprising Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity, Statement of Cash Flow together with notes for the year ended March 31, 2021, have been prepared in accordance with applicable Indian Accounting Standards (Ind AS) prescribed under section 133 of Companies Act, 2013 read with Companies (Indian Accounting Standard) Rules as amended from time to time.

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

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

As the operating cycle cannot be identified in normal course due to the special nature of industry, the same has been assumed to have duration of 12 months. Accordingly, all assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Division II of Schedule III to the Companies Act, 2013.

Operating Cycle

Operating cycle for the business activities of the company covers the duration of the specific project/contract/product line/service including the defect liability period wherever applicable and extends up to the recognized receivables (including retention monies) within the agreed credit period normally applicable to the respective lines of business.

Current and Non Current Classification

An asset is treated as current when it is:

- (i) Expected to be recognized or intended to be sold or consumed in normal operating cycle
- (ii) Held primarily for the purpose of trading
- (iii) Expected to be recognized 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 treated as 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

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.



Notes to Ind AS Financial Statements for the year ended 31st March 2021

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

- (i) Level 1- Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (ii) Level 2- Inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.
- (iii) Level 3- Unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

Functional and Presentation Currency

Items included in financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). Indian rupee is the functional currency of the Company.

The Financial Statements are presented in Indian Rupees which is company's presentation currency. All financial information presented in Crores has been rounded to two decimals except where otherwise indicated.

2.03 Critical Accounting Judgments, Assumptions and Key Sources of Estimation Uncertainty

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent assets and contingent liabilities at the date of financial statements, income and expenses during the period. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods which are affected.

Assumptions and Key Sources of Estimation Uncertainty

(i) Revenue

Revenue is recognized based on the extent of progress towards completion of the performance obligation. This requires the Company to estimate total contract revenue, and remaining cost to complete the contract at the end of each reporting date. The financial reporting of these contracts depends on estimates that are assessed continually during the term of these contracts, therefore recognized revenue and profit are subject to change as the contract progresses to completion.

(ii) Useful life of Property, Plant & Equipment (PPE)

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management which is reviewed at the end of each reporting period. The rate of depreciation adopted by the company has been tabulated in note 2.03

(iii) Expected Credit Loss (ECL)

Expected Credit Loss is prepared based on the historical data for the past two years with half yearly intervals and the probability of default is computed accordingly. The mechanism tries to identify the receivables which would probably result in becoming unrecoverable for the company and additional provision is created by company based on the ECL model.

(iv) Employee Benefits – Defined benefit obligation (DBO)

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

(v) Taxation

Determining of income tax liabilities using tax rates and tax laws that have been enacted or substantially enacted requires the Management to estimate the level of tax that will be payable based upon the Group's/ expert's interpretation of applicable tax laws, relevant judicial pronouncements and an estimation of the likely outcome of any open tax assessments including litigations or closures thereof.

Notes to Ind AS Financial Statements for the year ended 31st March 2021

Deferred income tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, unabsorbed depreciation and unused tax credits could be utilized.

(vi) Fair value measurement

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. The Management determines the appropriate valuation techniques and inputs for the fair value measurements. In estimating the fair value of an asset or a liability, the Company used market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engaged third party qualified valuers to perform the valuations in order to determine the fair values based on the appropriate valuation techniques and inputs to fair value measurements. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 45.

(vii) Provision for contractual obligation

Assessments undertaken in recognized provisions for contractual obligation have been made as per the best judgement of the management based on the current available information.

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

The SARS-CoV-2 virus responsible for COVID-19 continues to spread across the globe and India, which has contributed to a significant decline in global and local economic activities. The extent to which the COVID-19 pandemic will impact the company's results will depend on future developments, which are uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government mandated or elected by the Company.

2.04 Property, Plant and Equipment

Land and buildings, Property, Plant and Equipments held for use in the production or supply of goods or services, or for administrative purposes, are stated in the Balance Sheet at cost less accumulated depreciation and impairment losses, if any. Property, Plant and Equipment (PPE) in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss.

The cost of an asset comprises its purchase price or its construction cost (net of applicable tax credits), any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended by the Management and initial estimate of decommissioning, restoring and similar liabilities. Such cost includes the cost of replacing part of the plant and equipment and professional fees. Any trade discounts and rebates are deducted in arriving at the purchase price. Such properties are classified to the appropriate categories of PPE when completed and ready for intended use. Parts of an item of PPE having different useful lives and significant value and subsequent expenditure on Property, Plant and Equipment arising on account of capital improvement or other factors are accounted for as separate components. All other repair and maintenance costs are recognized in profit or loss as incurred. Own fabricated assets are capitalized at cost including an appropriate share of overheads.

Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Otherwise, such items are classified as inventories.

Depreciation on Property, Plant & Equipment

Depreciation of these PPE commences when the assets are ready for their intended use. It is provided on the cost of PPE (other than leasehold land) less their residual values, using the straight line method over the useful life of PPE as stated in the Schedule II to the Companies Act, 2013 or based on technical assessment by the Company. The Company has used the following rates to provide depreciation on its property, plant and equipment.

Particulars	Rate of depreciation
Land	0.00%
Buildings	3.00%
Plant & Machinery	4.75%
Office Equipment	6.33%
Furniture and Fixtures	6.33%
Computer	16.21%
Light Motor Vehicle	9.50%
Heavy Vehicle	11.31%



Notes to Ind AS Financial Statements for the year ended 31st March 2021

The estimated useful lives, residual values and depreciation method are reviewed on an annual basis and if necessary, changes in estimates are accounted for prospectively.

Depreciation on additions/deletions to PPE during the year is provided for on a pro-rata basis with reference to the date of additions/deletions except low value items not exceeding Rs.5,000/- which are fully depreciated at the time of addition.

On subsequent expenditure on PPE arising on account of capital improvement or other factors, depreciation is provided for prospectively over the remaining useful life.

Depreciation on refurbished/revamped PPE which are capitalized separately is provided for over the reassessed useful life.

De-Recognition:

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the net sales proceeds and the carrying amount of the asset and is recognized as in the Statement of Profit and Loss.

Assets not ready for the intended use on the date of the Balance Sheet are disclosed as Capital Work-in-Progress.

2.05 Intangible Assets

Intangible assets with finite useful lives that are acquired separately, are carried at cost less accumulated amortisation and accumulated impairment losses. The costs comprises of all cost, including financing costs till commencement of commercial production, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible asset. Amortisation is recognized on a straight line basis over their estimated useful lives from the date of capitalisation. The estimated useful life is reviewed at the end of each reporting period and the effect of any changes in estimate being accounted for prospectively.

Computer software are amortized on a straight line basis over a period of 3 years.

De-recognition

Intangible assets are recognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset, and recognized in the Statement of Profit and Loss when the asset is derecognized.

2.06 Impairment of tangible and intangible assets

The Company reviews the carrying amount of its tangible and intangible assets and Property, Plant and Equipment (including Capital Works-in -Progress) of a "Cash Generating Unit" (CGU) at the end of each reporting period to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount and impairment loss is recognized in the Statement of Profit and Loss.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

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

An assessment is made at the end of each reporting period to see if there are any indications that impairment losses recognized earlier

Notes to Ind AS Financial Statements for the year ended 31st March 2021

may no longer exist or may have come down. The impairment loss is reversed, if there has been a change in the estimates used to determine the asset's recoverable amount since the previous impairment loss was recognized. If it is so, the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. After a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life. Reversals of Impairment loss are recognized in the Statement of Profit and Loss.

2.07 Leases

The determination of whether an agreement is, or contains, a lease is based on the substance of the agreement at the date of inception.

Operating leases:

- (i) Leases where the lessor effectively retains substantially all the risks and rewards of ownership of the related assets are classified as operating leases.
- (ii) Lease rentals on assets under operating lease are charged to the Statement of Profit and Loss on a straight line basis over the term of the relevant lease.

2.08 Financial instruments

Financial assets and financial liabilities are recognized when Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the Statement of Profit and Loss.

2.09 Financial assets

Financial assets comprises of investments , trade receivables, cash and cash equivalents, term loans and advances and other financial assets.

(i) Cash and cash equivalents

Cash and cash equivalents comprise of cash at bank and cash in hand. The Company considers all highly liquid investments with an original maturity of three months or less from date of purchase, to be cash equivalents.

(ii) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost using the effective interest method if these financial assets are held within a business whose objective is to hold these assets 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.

(iii) Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business 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.

The Company has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of equity investments not held for trading.

(iv) Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition.

(v) Impairment of financial assets

The Company assesses at each balance sheet date whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for



Notes to Ind AS Financial Statements for the year ended 31st March 2021

trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to 12 month expected credit losses or at an amount equal to lifetime expected losses, if the credit risk on the financial asset has increased significantly since initial recognition.

(vi) Derecognition of financial assets

The Company recognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in the Statement of Profit and Loss.

2.10 Financial liabilities

(i) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- (a) the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- (b) the amount initially recognized less, when appropriate, the cumulative amount of income recognized in accordance with the principles of Ind AS 18.

(ii) Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method

(iii) Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability recognized and the consideration paid and payable is recognized in the Statement of Profit and Loss.

2.11 Inventories

Inventories are stated at lower of cost and net recognized value. Cost of construction / raw materials comprises cost of purchases and includes taxes and duties and is net of eligible credits under CENVAT/VAT schemes/ Input Tax Credit (ITC). It also includes all other related costs incurred in bringing the inventories to their present location and condition.

Stores and spares which do not meet the definition of property, plant and equipment are accounted as inventories. Cost is determined on first in first out basis. Cost of surplus/ obsolete/ slow moving inventories are adequately provided for. Net recognized value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

2.12 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

Contingent liabilities are disclosed in the Financial Statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote.

Notes to Ind AS Financial Statements for the year ended 31st March 2021

2.13 Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

2.14 Revenue recognition

(i) Construction Contracts

Revenue is measured based on the consideration specified in a contract with a customer. Company recognized revenue when or as it transfers control over a good or service to a customer.

Allocation of transaction price to performance obligations – A contract's transaction price is allocated to each distinct performance obligation and recognized as revenue, when, or as, the performance obligation is satisfied. To determine the proper revenue recognition method, we evaluate whether two or more contracts should be combined and accounted for as one single contract and whether the combined or single contract should be accounted for as more than one performance obligation. This evaluation requires significant judgment; some of our contracts have a single performance obligation as the promise to transfer the individual goods or services is not separately identifiable from other promises in the contracts and, therefore, not distinct. For contracts with multiple performance obligations, we allocate the contract's transaction price to each performance obligation using our best estimate of the standalone selling price of each distinct good or service in the contract.

Payment terms – Progress billings are generally issued upon completion of certain phases of the work as stipulated in the contract. Payment terms may either be fixed, lump-sum or driven by time and materials (i.e., daily or hourly rates, plus materials). Because typically the customer retains a small portion of the contract price until completion of the contract, our contracts generally result in revenue recognized in excess of billings which we present as contract assets on the statement of financial position. Amounts billed and due from our customers are classified as receivables on the statement of financial position. The portion of the payments retained by the customer until final contract settlement is not considered a significant financing component because the intent is to protect the customer. For some contracts, we may be entitled to receive an advance payment. We recognize a liability for these advance payments in excess of revenue recognized and present it as contract liabilities on the statement of financial position.

The advance payment typically is not considered a significant financing component because it is used to meet working capital demands that can be higher in the early stages of a contract and to protect us from the other party failing to adequately complete some or all of its obligations under the contract.

Warranty – Certain contracts include an assurance-type warranty clause, typically between 18 to 36 months, to guarantee that the products comply with agreed specifications.

Revenue recognized over time – Our performance obligations are satisfied over time as work progresses or at a point in time when performance obligations are fulfilled and control transfers to the customer. Typically, revenue is recognized over time using an input measure (e.g., costs incurred to date relative to total estimated costs at completion) to measure progress.

Cost-to-cost method – For our long-term contracts, because of control transferring over time, revenue is recognized based on the extent of progress towards completion of the performance obligation. Upon adoption of the new standard we generally use the cost-to-cost measure of progress for our contracts because it best depicts the transfer of control to the customer which occurs as we incur costs on our contracts. Under the cost-to-cost measure of progress, the extent of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of the performance obligation. Revenues, including estimated fees or profits, are recorded proportionally as costs are incurred. Any expected losses on construction-type contracts in progress are charged to earnings, in total, in the period the losses are identified. Previously, such contracts were accounted for under IAS 11 on Construction Contracts. Accordingly, revenue on ongoing contracts was measured on the basis of costs incurred and of margin recognized at the percentage of completion. Margin was recognized only when the visibility of the riskiest stages of the contract was deemed sufficient and when estimates of costs and revenue was considered to be reliable. The percentage of completion was calculated according to the nature and the specific risk of each contract in order to reflect the effective completion of the project. This percentage of completion could be based on technical milestones defined for the main deliverables under the contracts or based on the ratio between costs incurred to date and estimated total costs at completion. As soon as the estimate of the final outcome of a contract indicated a loss, a provision was recorded for the entire loss. The gross margin of a long-term contract at completion was based on an analysis of total costs and income at completion, which are reviewed periodically and regularly throughout the life of the contract. A construction contract was considered completed when the last



Notes to Ind AS Financial Statements for the year ended 31st March 2021

technical milestone is achieved, which occurs upon contractual transfer of ownership of the asset or temporary delivery, even if conditional.

Right to invoice practical expedient – The right-to-invoice practical expedient can be applied to a performance obligation satisfied over time if we have a right to invoice the customer for an amount that corresponds directly with the value transferred to the customer for our performance completed to date. When this practical expedient is used, we do not estimate variable consideration at the inception of the contract to determine the transaction price or for disclosure purposes. We have contracts which have payment terms dictated by daily or hourly rates where some contracts may have mixed pricing terms which include a fixed fee portion. For contracts in which we charge the customer a fixed rate based on the time or materials spent during the project that correspond to the value transferred to the customer, we recognize revenue in the amount to which we have the right to invoice.

Contract modifications – Contracts are often modified to account for changes in contract specifications and requirements. We consider contract modifications to exist when the modification either creates new, or changes the existing, enforceable rights and obligations. Most of our contract modifications are for goods or services that are not distinct from the existing contract due to the significant integration service provided in the context of the contract and are accounted for as if they were part of that existing contract. The effect of a contract modification on the transaction price and our measure of progress for the performance obligation to which it relates is recognized as an adjustment to revenue (either as an increase in or a reduction of revenue) on a cumulative catch-up basis.

(ii) Other Operational Income

Other Operational Income Includes Revenue for Technical services provided and accounted on accrual basis.

(iii) Dividend income:

Dividend income from investments is recognized when the shareholder's right to receive payment is established by the reporting date.

(iv) Interest Income

Interest income from financial assets is recognized at the effective interest rate method applicable on initial recognition.

(v) Other Income

(a) Claims were accounted as income in the year of receipt of arbitration award or acceptance by client or evidence of acceptance.

(b) Other items of income are accounted as and when the right to receive arises.

2.15 Borrowing Costs

Borrowing costs specifically identified to the acquisition or construction of qualifying assets is capitalized as part of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to the Statement of Profit and Loss.

2.16 Employee Benefits

Employee benefits include salaries, wages, provident fund, employee state insurance and gratuity.

(i) Defined contribution plans

Employer's contribution to the recognized provident fund which is a defined contribution scheme and ESI Contribution as per law are charged to the Profit and Loss account.

(ii) Defined benefit plans

The Gratuity benefit is funded through a defined benefit plan. For this purpose, the Company has obtained a qualified insurance policy from Life Insurance Corporation of India.

2.17 Voluntary Retirement Scheme

Expenditure on Voluntary Retirement Scheme (VRS) is charged to the Statement of Profit and Loss when incurred.

2.18 Foreign Exchange Transactions

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Indian

Notes to Ind AS Financial Statements for the year ended 31st March 2021

Rupees, which is the Company's functional currency and the Group's presentation currency.

Transactions in currencies other than the Company's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are translated using mean exchange rate prevailing on the last day of the reporting period. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

Exchange differences on monetary items are recognized in the Statement of Profit and Loss in the period in which they arise. In case of fixed assets they are adjusted to the carrying cost of such assets.

2.19 General Administrative Expenses

General administrative expenses which are directly attributable are allocated to activities and the balance is charged to Statement of Profit and Loss.

2.20 Income Taxes

Income tax expense represents the sum of the current tax and deferred tax.

i) Current tax

The tax currently payable is based on taxable profit for the year. 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. The Company's current tax is calculated using tax rates and laws that have been enacted or substantively enacted by the end of the reporting period.

(ii) Deferred tax

Deferred tax is recognized 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 are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

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 measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

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

(iii) Current and deferred tax expense for the year

Current and deferred tax expense is recognized in the Statement of Profit and Loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

2.21 Proposed Dividend

The Company has disclosed dividend, proposed by board of directors after the balance sheet date, in the notes, as provision cannot be created for dividend proposed / declared after the balance sheet date, unless a statute requires otherwise.



Notes to Ind AS Financial Statements for the year ended 31st March 2021

2.22 Extraordinary and exceptional Items

Income or expenses that arise from events or transactions that are clearly distinct from the ordinary activities of the Company are classified as extraordinary items. Specific disclosure of such events/transactions is made in the financial statements. Similarly, any external event beyond the control of the Company, significantly impacting income or expense, is also treated as extraordinary item and disclosed as such.

On certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company, is such that its disclosure improves an understanding of the performance of the Company. Such income or expense is classified as an exceptional item and accordingly disclosed in the notes to accounts.

2.23 Earnings per share

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

2.24 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit after tax 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 are segregated into operating, investing and financing activities.

2.25 Segment reporting

Operating segments are identified and reported taking into account the different risks and returns, the organization structure and the internal reporting systems.

As per our report of even date

CA S N DURAISWAMY

Membership No. :026599

P. ArulSundaram

*Chairman &
Managing Director*

DIN: 00125403

A. Nithya

*Whole Time Director &
Chief Financial Officer*

DIN 00125357

Date: 01.06.2021

Place: Erode

Pradeep Kumar Nath

Company Secretary

M. No. 40148

Notes to Ind AS Financial Statements for the year ended 31st March 2021**Note 3 : Property, plant & equipment**

(₹ In Crores)

Particulars	Land	Plant and Machinery	Office Equipment	Furniture and Fixtures	Computer	Buildings	Motor Vehicle	Heavy Vehicle	Total
Gross carrying amount									
As at 31 March 2019	3.31	56.64	0.98	0.30	0.99	0.69	2.63	24.37	89.92
Additions	0.00	1.55	0.07	0.01	0.12	0.00	0.69	0.67	3.11
Disposals	0.00	0.06	0.00	0.00	0.07	0.00	0.03	0.31	0.47
As at 31 March 2020	3.31	58.13	1.05	0.31	1.05	0.69	3.28	24.73	92.55
Additions	0.00	1.72	0.18	0.06	0.18	0.01	0.30	4.93	7.38
Disposals	0.00	2.70	0.02	0.00	(0.06)	0.00	0.22	2.12	4.99
As at 31 March 2021	3.31	57.15	1.22	0.37	1.29	0.71	3.36	27.54	94.94
Depreciation and impairment									
As at 31 March 2019	0.00	19.51	0.67	0.13	0.90	0.11	1.29	15.56	38.17
Depreciation charge for the year	0.00	4.67	0.11	0.02	0.07	0.03	0.42	1.74	7.06
Disposals/Adjustments	0.00	0.02	0.00	0.00	0.00	0.00	0.02	0.31	0.35
As at 31 March 2020	0.00	24.16	0.78	0.15	0.98	0.14	1.69	16.99	44.88
Depreciation charge for the year	0.00	3.93	0.11	0.03	0.10	0.02	0.37	1.54	6.09
Disposals/Adjustments	0.00	1.26	0.02	0.00	0.00	0.00	0.18	1.56	3.02
As at 31 March 2021	0.00	26.83	0.88	0.18	1.07	0.16	1.87	16.96	47.95
Net Carrying amount									
At 31 March 2021	3.31	30.32	0.34	0.19	0.22	0.54	1.49	10.58	46.99
At 31 March 2020	3.31	33.98	0.26	0.16	0.07	0.55	1.60	7.74	47.67

Note 4 : Capital Work in Progress

(₹ In Crores)

Particulars	Capital Work in Progress	Total
Gross carrying amount		
As at 31 March 2019	3.90	3.90
Purchases	0.71	0.71
Transfer	0.70	0.70
As at 31 March 2020	3.91	3.91
Purchases	0.11	0.11
Transfer	(0.07)	(0.07)
As at 31 March 2021	4.08	4.08
Amortisation and impairment		
As at 31 March 2019	0.00	0.00
Amortisation	0.00	0.00
Adjustment	0.00	0.00
As at 31 March 2020	0.00	0.00
Amortisation	0.00	0.00
Adjustment	0.00	0.00
As at 31 March 2021	0.00	0.00
Net Carrying Amount		
At 31 March 2021	4.08	4.08
At 31 March 2020	3.91	3.91



Notes to Ind AS Financial Statements for the year ended 31st March 2021

Note 5: Intangible Assets

(₹ In Crores)

Particulars	Goodwill	ERP Software	Website Development	Intangible asset under Development	Total
Gross carrying amount					
As at 31 March 2019	0.00	0.38	0.00	2.36	2.73
Purchases	0.00	0.24	0.00	0.00	0.24
Transfer	0.00	0.09	0.00	2.36	2.44
As at 31 March 2020	0.00	0.53	0.00	0.00	0.53
Purchases	0.00	0.01	0.00	0.00	0.01
Transfer	0.00	0.23	0.00	0.00	0.23
As at 31 March 2021	0.00	0.30	0.00	0.00	0.30
Amortisation and impairment					
As at 31 March 2019	0.00	0.12	0.00	0.00	0.12
Amortisation	0.00	0.00	0.00	0.00	0.00
Adjustment	0.00	(0.15)	0.00	0.00	(0.15)
As at 31 March 2020	0.00	0.27	0.00	0.00	0.27
Amortisation	0.00	0.01	0.00	0.00	0.01
Adjustment	0.00	0.00	0.00	0.00	0.00
As at 31 March 2021	0.00	0.29	0.00	0.00	0.29
Net Carrying Amount					
At 31 March 2021	0.00	0.01	0.00	0.00	0.01
At 31 March 2020	0.00	0.26	0.00	0.00	0.26

Note 6A. : Investments -Non- Current

(₹ In Crores)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Non Trade Investments (5A.1)		
Investment in Equity Instruments (Non Trade Investments)	0.11	0.09
Trade Investments (5A.2)		
Investment in Equity Instruments (Trade Investments)	7.03	7.08
Total investments	7.14	7.17

Note 6A.1 : Non Trade Investments

(₹ In Crores)

Particulars	Classification	Quoted/Unquoted	Partly Paid/ Fully paid	No. of Shares / Units		Extent of Holding (%)		(Rs. in Crore)	
				As at 31st March 2021	As at 31st March 2020	As at 31st March 2021	As at 31st March 2020	As at 31st March 2021	As at 31st March 2020
3i Infotech Limited(Face Value @ Rs.10 per share)	Others	Quoted	Fully Paid	1000.00	1000.00	0.00%	0.00%	0.00	0.00
Hindustan Construction Company Limited(Face Value @ Rs.1 per share)	Others	Quoted	Fully Paid	9000.00	9000.00	0.01%	0.01%	0.00	0.00
IVRCL Infrastructure & Projects Limited(Face Value @ Rs.2 per share)	Others	Quoted	Fully Paid	900.00	900.00	0.00%	0.00%	0.00	0.00
Sakthi Sugars Ltd(Face Value @ Rs.10 per share)	Others	Quoted	Fully Paid	500.00	500.00	0.00%	0.00%	0.00	0.00
MEP Infra Developers (Face Value @ Rs.10 per share)	Others	Quoted	Fully Paid	0.00	10000.00	0.00%	0.00%	0.00	0.00
Other Comprehensive Income								0.06	0.06
SPAC Terminal Market Complex Ltd.(Face value @ Rs.1 Per Share and Previous Face Value per Share @Rs.10 per share)	Others	Unquoted	Fully Paid	299000.00	299000.00	6.89%	6.89%	0.03	0.03
Narayana City Bus Operations Pvt Ltd(Face Value @ Rs.100 per share)	Others	Unquoted	Fully Paid	20000.00	0.00		0.00%	0.02	0.00
Total Non Trade Investments								0.11	0.09

Notes to Ind AS Financial Statements for the year ended 31st March 2021**Note 6A.2 : Trade Investments**

(₹ In Crores)

Particulars	Classi- fication	Quoted/ Unquoted	Partly Paid/ Fully paid	No. of Shares / Units		Extent of Holding (%)		(Rs. in Crore)	
				As at 31st March 2021	As at 31st March 2020	As at 31st March 2021	As at 31st March 2020	As at 31st March 2021	As at 31st March 2020
RPP Energy Systems Private Limited (Face value @ Rs.10 Per Share)	Wholly Owned Subsi- diary	Unquoted	Fully Paid	0.00	50000.00	0%	100%	0.00	0.05
RPP Infra Overseas PLC(Face value @ Rs.10 Per Share)		Unquoted	Fully Paid	4980.00	4980.00	100%	100%	0.02	0.02
RPP Infra Projects (Lanka) Ltd.(Face value @ Rs.10 Per Share)		Unquoted	Fully Paid	116143.00	116143.00	100%	100%	0.05	0.05
Greatful Mercantile Pvt. Ltd.(Face value @ Rs.10 Per Share)		Unquoted	Fully Paid	211500.00	211500.00	100%	100%	3.55	3.55
Sanskar Dealcom Pvt Ltd.(Face value @ Rs.10 Per Share)		Unquoted	Fully Paid	209930.00	209930.00	100%	100%	3.40	3.40
RPP Annai JV (Face value @ Rs.10 Per Share)	Partly Owned Subsi- diary	Unquoted	Fully Paid	5000.00	5000.00	51%	51%	0.01	0.01
Total Non Trade Investments								7.03	7.08
Total investments								7.14	7.17
Aggregate Carrying value of Quoted investments								0.00	0.00
Aggregate Carrying value of UnQuoted investments								7.08	7.11
Aggregate Market Value of Quoted Investments								0.00	0.00

Note 7 : Long term Loans & Advances

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
Advance to Suppliers	2.64	0.00
Other Long term loans and advances		
Total	2.64	0.00

Note 8 : Deferred Tax Asset / Liability

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
Deferred Tax Asset/Liability	0.01	0.88
Total	0.01	0.88

Note 9 : Other Non-Current Assets

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
Prepaid Expense	4.48	2.54
Total	4.48	2.54

Note 10 : Inventories

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
Raw materials- Construction Materials	11.32	24.18
Total inventories at the lower of cost or net realisable value	11.32	24.18
Inventories are not pledged as security		



Notes to Ind AS Financial Statements for the year ended 31st March 2021

Note 11 : Trade receivables

Particulars	(₹ In Crores)	
	As at 31st March 2021	As at 31st March 2020
Unsecured considered good	145.93	147.43
Doubtful		
Total Trade receivables	145.93	147.43
Provision for doubtful receivables		
Total Trade receivables	145.93	147.43

Note: 11.1

There are arbitration proceedings going on in respect of the following departments - Rites, Sipcot and Ntecl towards which sums Rs.2.13 Crores, Rs.0.75 Crores, Rs.27.30 Crores respectively are shown as receivables. The company has filed the necessary papers with the arbitrators and the above receivables are considered good for recovery. Third Party balances are subject to external confirmations.

Note 12 : Cash and cash equivalent

Particulars	(₹ In Crores)	
	As at 31st March 2021	As at 31st March 2020
Balances with banks:		
– On current accounts	15.99	4.97
Cheques/ drafts on hand	0.00	0.00
Cash on hand	0.58	0.69
Earmarked Balances	80.28	39.44
Other Bank Balances	10.16	6.47
Total	107.01	51.57

Note 13 : Short Term Loans and Advances

Particulars	(₹ In Crores)	
	As at 31st March 2021	As at 31st March 2020
Unsecured, considered good:		
Security Deposits		
Deposits with customers	0.00	0.00
Deposits with Others	0.00	0.00
Advance to employees	0.35	0.25
Advance to sub-contractors	10.27	3.16
Balances with statutory / government authorities	7.84	17.61
Loans & Advances to Subsidiaries	0.00	0.00
Balance with Subsidiaries	0.46	0.26
Non-Trade Receivable	13.52	13.52
Advance to Suppliers	0.00	0.00
Others	0.83	1.11
(Refer Note 11.1)		
Total	33.28	35.91

Note 14 : Other Financial Assets

Particulars	(₹ In Crores)	
	As at 31st March 2021	As at 31st March 2020
Contract Asset	147.76	142.96
Insurance Claim	0.00	0.00
Total	147.76	142.96

Note: Classified as non financial asset as the contractual rights to consideration is dependent on completion of contractual milestone.

Notes to Ind AS Financial Statements for the year ended 31st March 2021**Note 15 : Other Current Assets**

(₹ In Crores)

Particulars	As at	
	31st March 2021	31st March 2020
Prepaid expense - Current	0.00	0.00
Other Assets - Sri Lanka BO	0.00	0.00
Income Tax Paid for FY 2008-09 & 2011-12	0.00	0.00
Project Advance	0.00	0.00
Other Receivable-Current	10.99	0.00
Retention by customers (Refer Note 11.1)	86.49	103.04
Total	97.48	103.04

Note 16 : Share Capital

(₹ In Crores)

Particulars	As at	
	31st March 2021	31st March 2020
Authorised Share Capital		
34,000,000 (March 31, 2021: 34,000,000) equity shares of Rs.10/-	34,00,00,000	34,00,00,000
Share Capital		
Issued, Subscribed and Paid up equity capital		
23,650,584 (March 31, 2021: 23,650,584) equity shares of Rs.10/- each fully paid up	23,65,05,840	22,60,05,840

Note 16.1 : Reconciliation of the number of shares outstanding

(₹ In Crores)

Particulars	As at 31 March 2021		As at 31 March 2020	
	No. of Shares	Amount	No. of Shares	Amount
Reconciliation of No. of shares				
Outstanding at the beginning of the year	2,26,00,584	22,60,05,840	2,26,00,584	22,60,05,840
Add: Shares issued during the year	10,50,000	1,05,00,000	-	-
Outstanding at the end of the year	2,36,50,584	23,65,05,840	2,26,00,584	22,60,05,840

Note 16.2 : Terms / rights attached to equity shares

The company has only one class of equity share having a par value of Rs.10 per share. Each shareholder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing general meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of preferential amounts. the distribution will be in proportion to the number of equity shares held by shareholders.

Note 16.3 : Details of shares held by subsidiaries of ultimate holding company / holding and / or their subsidiaries / associates

(₹ In Crores)

Particulars	As at 31 March 2021		As at 31 March 2020	
	No. of shares	% Holding	No. of shares	% Holding
RPP Infra Projects (Lanka) Limited	1,16,143.00	100.00%	1,16,143.00	100.00%
RPP Infra Over Seas PLC	4,980.00	100.00%	4,980.00	100.00%
RPP Energy Systems Private Limited	-	0.00%	50,000.00	100.00%
Sanskar Dealcom Private Limited	2,09,930.00	100.00%	2,09,930.00	100.00%
Greatful Mercantile Private Limited	2,11,500.00	100.00%	2,11,500.00	100.00%
Lunkar Finance Private Limited (Subsidiary - Stepdown)	4,21,430.00	100.00%	4,21,430.00	100.00%
RPP Annai (JV) Private Limited	5,100.00	51.00%	-	0.00%



Notes to Ind AS Financial Statements for the year ended 31st March 2021

Note 16.4 : Details of shareholders holding more than 5% shares in the Company are as under:-

(₹ In Crores)

Name of equity share holders	As at 31 March 2021		As at 31 March 2020	
	No. of shares	% Holding	No. of shares	% Holding
Mr P. Arulsundaram	72,68,443.00	30.73%	65,43,443	28.95%
Mrs A. Nithya	57,49,898.00	24.31%	54,24,898	24.00%
Total	1,30,18,341.00	55.04%	1,19,68,341.00	52.96%

Note 16.5 : Proposed dividends on Equity shares:

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
The board proposed dividend on equity shares after the balance sheet date Proposed dividend on equity shares for the year ended 31st March, 2020 : NIL	0.00	0.00
Tax on proposed dividend	0.00	0.00

Note 17 : Other Equity

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
Securities premium account	48.05	39.65
Foreign Currency Translation Reserve	0.00	0.00
Revaluation reserve	2.38	2.38
Retained Earnings	187.08	151.08
Total	237.52	193.12

Note 17.1 : Securities premium account

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
Balance at beginning of year	39.65	39.65
Add / Less: Movements	8.40	0.00
Balance at end of year	48.05	39.65

Note 17.2 : Revaluation reserve

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
Balance at beginning of year	2.38	2.38
Add / Less: Movements	0.00	0.00
Balance at end of year	2.38	2.38

Note 17.3 : Retained Earnings

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
Balance at beginning of year	171.54	151.08
Add / Less: Movements	15.55	20.46
Balance at end of year	187.08	171.54

Refer "Statement of Changes in Equity" for additions/deletions in each of these items

- A. Securities Premium represents premium received on equity shares issued, which can be utilised only in accordance with the provisions of the Companies Act 2013 for specified purposes.

Notes to Ind AS Financial Statements for the year ended 31st March 2021**Note 17.4 : Share Warrant**

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
Share Warrant	6.64	0.00
	6.64	0.00

Company has obtained approval of the shareholders for 40,00,000@90 allotment of warrant at the General Meeting held on 12th June 2020. Fund Received from Promoter being 25% of consideration in accordance with the SEBI (ICDR) Regulation, 2018. Companies was obtained "In-Principle Approval" under the Regulation 28(1) of SEBI (LODR) Regulation, 2015 granted by the BSE Limited vide its letter reference no. DCS/PREF/BA/PRE/697/2020-21 dated 13th July 2020 and National Stock Exchange of India Limited vide its letter reference no. NSE/LIST/24057 dated 8th July 2020. Accordingly, dated 14.07.2020 Share Allotment Committee approved allotment of 40,00,000 warrants convertible into Equity Shares of Rs. 10 each to the promoters on preferential basis at an issue price of the Rs. 90 per warrants on receipt of the amount of Rs 9 Crores (Rupees Nine Crores Only) being 25% of consideration in accordance with the SEBI (ICDR) Regulation, 2018.

Further dated 04.03.2021 Share Allotment Committee of the Board of Directors of the Company held on 4th March 2021 was allotted 10,50,000 [Ten Lakhs Fifty Thousand] Fully Paid-up Equity Shares of = 10/- each ["said shares"] on conversion of 10,50,000 Warrants on receipt of the full consideration towards these warrants and exercise of option of conversion. The allotted shares ranks pari passu with the existing Equity Shares of the Company in all respects including dividend.

Note 18 : Borrowings- Non current

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
Secured		
Term Loans		
From Banks (Secured)	27.86	13.42
From NBFC (Secured)	6.78	9.73
Unsecured	0.00	0.00
Term Loans	0.00	0.00
From Banks (Unsecured)	0.00	0.00
From NBFC (Unsecured)	45.48	34.39
Total	80.11	57.54
Less : Current Maturities of Long Term Debt	11.70	12.61
Total	68.42	44.92

Note 18.1 : Nature of Security

(₹ In Crores)

Particulars	Loan outstanding	Security	Repayment terms
From Banks			
Secured Loan with Various Banks and Interest @ 9.33%	16.16	Promoters Share	Every Month
From NBFC's			
Term Loan with Non Banking Financial institutions and Interest @ 9.66%	6.78	Promoters Shares	Every Month
Unsecured Loan with Non Banking Financial institutions and Interest @ 0% for Directors and Subsidiary and 11% for Others	45.48	Promoters Shares	Renewal Every Year

Net debt reconciliation

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
Cash and cash equivalents	107.01	51.57
Liquid investments	-	-
Non Current borrowings including interest	68.42	44.92
Current Borrowings	54.61	62.55
Net (debt)/ Cash & Cash Equivalents	16.01	55.90



Notes to Ind AS Financial Statements for the year ended 31st March 2021

(₹ In Crores)

Particulars	Other Assets		Liabilities from financing activities		Total
	Cash and bank overdraft	Liquid Investments	Non-current borrowings	Current borrowings	
Net (debt)/ Cash & Cash Equivalents as at 1 April 2017	40.24	-	16.84	80.76	57.36
Cash Flows	57.61		(5.03)	51.98	(10.66)
Interest expense					-
Interest paid	18.57				(18.57)
(Net debt)/ Cash & Cash Equivalents as at 31 March 2018	79.27	-	11.81	132.74	65.28
Cash Flows	(7.66)		46.89	(52.01)	2.55
Interest expense					-
Interest paid	(23.24)				23.24
(Net debt)/ Cash & Cash Equivalents as at 31 March 2019	48.33		58.70	80.73	91.06
Cash Flows	25.88		(13.78)	(18.18)	(57.84)
Interest expense					-
Interest paid	(22.68)				22.68
(Net debt)/ Cash & Cash Equivalents as at 31 March 2020	51.53		44.92	62.55	55.90
Cash Flows	74.40		23.49	(7.93)	(58.84)
Interest expense					-
Interest paid	(18.95)				18.95
(Net debt)/ Cash & Cash Equivalents as at 31 March 2021	106.98		68.41	54.62	16.01

Note 19 : Other financial liabilities- Non Current

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
Security Deposits from Sub Contractor	0.00	0.00
Total	0.00	0.00

Note 20 : Provisions- Long term

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
Provision for employee benefits	0.00	0.00
Gratuity	0.30	0.20
Total	0.30	0.20

Note 21 : Borrowings- Current

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
Secured		
Loans repayable on Demand from banks (Refer 18B.1)	42.91	49.93
Loans repayable within one year from banks	0.00	0.00
Total	42.91	49.93

Notes to Ind AS Financial Statements for the year ended 31st March 2021**Note 21.1 : Nature of Security**

(₹ In Crores)

Particulars	Loan outstanding	Repayment terms
From Banks		
Working Capital with Various Banks and Interest @ 10.96%	42.91	Personal Security of Vacant land, Building, Factory building, Vacant House, Residential Building @ various places Land & building, vacant land @ various places Immovable Land and Building property @ Giundy Taluk Personal Guarantee Value of Property
From NBFC's		
Working Capital with Non Banking Financial institutions and Interest @ 10.96%	0.00	Personal Guarantee

Note 21.2 : Fund Based Limit Enjoyed by the Company

(₹ In Crores)

Particulars	Name of Lending institutions	Type of Loan	Utilised	
			As at 31st March 2021	As at 31st March 2020
Indian Overseas Bank, Surampatti Branch, Erode	Cash Credit	35.00	29.36	30.61
Bank of India - Coimbatore	Cash Credit	8.00	7.97	7.93
Industrial Development Bank of India (IDBI), Chennai	Cash Credit	9.00	5.58	8.90
Exim Bank , Chennai	Cash Credit	2.50	-	2.50
Total		54.50	42.91	49.93

Note 22 : Trade Payable

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
Dues to Micro Enterprises and Small Enterprises (Ref. Note 41)	0.00	0.63
Due to others	128.23	118.70
Total	128.23	119.33

Note 23 : Other financial liabilities - Current

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
Current maturities of Long Term Secured Debt	11.70	12.61
Current maturities of Long Term Unsecured Debt	0.00	0.00
Mobilisation Advances / Other Projects Payables	39.69	39.06
Due to directors	0.22	0.46
Expenses payable	5.01	1.66
Balance with Subsidiaries	0.00	0.00
Unpaid dividend	0.03	0.03
Retention money - others	32.97	39.68
Secured Advance	0.00	0.00
Other Financial Liability	0.00	0.00
Total other financial liabilities	89.61	93.50

Note: mobilisation advance received by the Company from certain departments and the proportionate amount which has to be classified as GST liability has been shown as mobilisation advance liability to the extent of Rs.1.99 crore



Notes to Ind AS Financial Statements for the year ended 31st March 2021

Note 24 : Other Current Liabilities

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
Statutory dues payable	3.74	9.48
Advances from customers	8.67	7.04
Other Liabilities	0.00	0.31
Total	12.41	16.82

Note 25 : Provisions- Short term

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
Provision for employee benefits		
Gratuity	0.05	0.05
Other Provisions	0.00	0.00
Provision for Warranty	2.42	2.38
Provision for income tax	0.00	0.00
Total	2.47	2.43

Note 26 : Current Tax Liabilities (Net)

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
Provision for Income Tax (Net of Advance income tax)	6.08	4.87
Total	6.08	4.87

Note 26 : Current Tax Liabilities (Net)

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
Provision for Income Tax (Net of Advance income tax)	10.13	0.00
Total	10.13	0.00

Note 27 : Revenue from operations:

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
Contract Revenue	477.90	575.69
Sale of Materials	-0.00	-
Other Operating Revenue	-	-
Total	477.90	575.69

Note 28 : Other income

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
Hire charges Received	3.15	2.99
Discount Received	0.05	0.09
Interest Income	2.37	2.45

Notes to Ind AS Financial Statements for the year ended 31st March 2021

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
Miscellaneous Income	0.48	1.49
Scrap Sales	0.02	0.17
Consulting Services & Service Charges	5.18	0.70
Profit on Sale of Assets	-	0.00
Forex Gain (Net)	(0.06)	0.83
Total	11.21	8.72

Note: The amount of interest income on FD's with banks has been estimated on the basis of the rate of interest applicable, the amount of deposit and the period for which the deposit has run.

Note 29 : Cost of Raw materials and Components Consumed

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
Inventory at the Beginning of the Period	23.76	20.24
Add: Purchases during the period	109.37	159.76
Less: Inventory at the end of the Period	10.91	24.18
Total	122.22	155.81

Note 30 : Direct Cost

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
Works Contract Cost	222.35	260.80
Other Operating Cost	64.76	62.87
Consultancy charges	-	-
Total	287.11	323.67

Note: Joint Venture Agreement

The Company has an unincorporated JV with the Party Ramalingam Construction Company Pvt Ltd with whom a project was jointly bid and obtained. However, the execution was fully done by the company. Company has agreed to pay 2% of Turnover of this project as Royalty to the Partner and this amount has been charged off to the Statement of Profit & Loss.

Note 31 : Employee benefits expense

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
Salary Expenses	9.75	12.27
Company's Contribution to Employees' Provident Fund	0.20	0.19
Company's Contribution to Employees' State Insurance Corporation	0.02	0.03
Gratuity	0.04	0.08
Staff Welfare	0.93	0.84
Total	10.94	13.41



Notes to Ind AS Financial Statements for the year ended 31st March 2021

Note 32 : Finance Cost

Particulars	(₹ In Crores)	
	As at 31st March 2021	As at 31st March 2020
Interest expenses	-	
On Term Loans and Other Loans	6.10	9.56
On Working Capital Loans	6.06	6.94
Other borrowing costs		
Bank Charges and Bank Guarantee Commission	5.18	5.39
Processing Charges Paid	1.62	0.79
Total	18.95	22.68

Note 33 : Depreciation and Amortisation Expenses

Particulars	(₹ In Crores)	
	As at 31st March 2021	As at 31st March 2020
Depreciation of tangible fixed assets	6.11	7.06
Amortisation of intangible fixed assets	-	0.10
Total	6.11	7.16

Note 34 : Other expense

Particulars	(₹ In Crores)	
	As at 31st March 2021	As at 31st March 2020
Advertisement	0.01	0.01
Business Development Expenses	0.44	0.34
Brokerage	0.01	0.00
Consulting Fees Paid	0.29	0.37
Donation	0.03	0.00
Miscellaneous Expense	0.35	0.66
Corporate Social Responsibilities	0.47	0.57
Legal Fees Paid	0.04	0.38
Packing & Forwarding Charges	0.02	0.02
Equipment Hire Charges	0.91	0.82
Insurance	0.83	0.54
Repairs & Maintenance - Machinery	2.84	11.15
Repairs & Maintenance - Office	0.33	0.22
Repairs & Maintenance - Others	7.37	5.38
Postage & Telegraph	0.05	0.04
Professional Charges	0.63	0.89
Loss On Sale of Assets	0.16	0.01
Loss On Sale of Investment	0.02	0.00
Changes in CWIP	0.94	0.00
Printing and Stationery	0.15	0.21
Rent & Electricity	0.95	0.97

Notes to Ind AS Financial Statements for the year ended 31st March 2021

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
Audit Fee		
-Statutory Audit	0.26	0.16
-Other services	0.66	0.15
Bad Debts	0.62	0.09
Deposit Write Off	1.11	-
Secretarial Expenses	0.05	0.10
Rates & Taxes	0.05	0.03
Telephone Expenses	0.05	0.06
Travelling Expenses	0.44	1.22
Registration and Renewals	0.16	0.27
Royalty Paid	0.18	1.17
Security Service Charges	0.10	0.08
Forex Loss (Net)	-	0.28
Interest		
On Statutory Dues	1.02	1.38
Other Expenses	0.06	0.10
Warranty Provision (P&L)	-	0.15
Total	21.61	27.79

Note 35 : Income Tax Expense

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
Current Tax	7.49	9.74
Taxes of earlier years	-	5.62
Deferred tax	(0.86)	0.14
Total Tax Expense	6.62	15.49

Income Tax Expense recognised in other Comprehensive Income

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
Current tax	-	-
Deferred tax	-	-
A (i) Items that will not be reclassified to profit or loss	-	-
Remeasurement of defined benefit plans	0.09	(0.20)
Net change in fair values of investments in equity shares carried at fair value through OCI	-	0.01
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	0.05
B (i) Items that will be reclassified to profit or loss	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-
Other Comprehensive Income for the period / year, net of tax	-	-
Total	0.09	(0.14)



Notes to Ind AS Financial Statements for the year ended 31st March 2021

Note 36 : The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	(₹ In Crores)	
	For the year ended 31st March 2021	For the year ended 31st March 2020
Profit before tax	22.16	34.79
Income tax expense	5.58	8.76
Less: Exemption/Deductions		
Others		
Add: Effect of expenses that are not deductible in determining taxable profit		
Expenses not allowed in income tax	1.27	0.52
Tax Effects due to difference in treatment of expenses between acts	(0.86)	0.14
Others	0.64	0.46
Total	6.62	9.87
Adjustments recognised in the current year in relation to the current tax of prior years	0.00	5.62
Income tax expense recognised In Statement of Profit & Loss (reating to continuing operations)	6.62	15.49

Income tax recognised in other comprehensive income

Particulars	(₹ In Crores)	
	For the year ended 31st March 2021	For the year ended 31st March 2020
Deferred tax	0.00	0.00
Arising on income and expenses recognised in other comprehensive income	0.00	0.00
Net fair value gain on investments in equity shares at FVTOCI	0.00	0.01
Remeasurement of defined benefit obligation	0.09	(0.20)
Total income tax recognised in other comprehensive income	0.00	(0.19)
Bifurcation of the income tax recognised in other comprehensive income into:	0.00	0.05
Items that will not be reclassified to profit or loss	0.00	(0.14)
Items that may be reclassified to profit or loss	0.00	0.00

Note 37 : Earnings per share (EPS)

Particulars	(₹ In Crores)	
	For the year ended 31st March 2021	For the year ended 31st March 2020
Profit attributable to equity holders	15.53	19.30
Weighted average number of Equity shares for EPS	2,36,50,584	2,26,00,584
EPS (Rs. per share)		
Basic	6.57	8.54
Diluted	6.57	8.54
Nominal Value of Shares (Rs. per share)	10.00	10.00

The entity has no instruments that are called potential equity shares at the end of the financial year

Note 38 : Gratuity & other post employment benefit plans

Defined Contribution Plan

The Company has defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with Insurance Company in the form of a qualifying Insurance Policy.

Each year, the Board of Trustees reviews the level of funding in the gratuity plan. Such a review includes the asset-liability matching strategy and investment risk management policy. The Board of Trustees decides its contribution based on the results of this annual review. Generally, it aims to have a portfolio mix of equity instruments and debt instruments. Generally equity instruments should not exceed 15% of total portfolio. The Board of Trustees aim to keep annual contributions relatively stable at a level such that no plan deficits (based on valuation performed) will arise.

Notes to Ind AS Financial Statements for the year ended 31st March 2021

The plan assets include significant investment in Debt Fund, hence, the Company is not exposed to any market risk.

The following table summarises the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet.

Changes in Present Value of Obligations

(₹ In Crores)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Present Value of Obligation as at the beginning of the year	0.46	0.37
Interest Cost	0.03	0.03
Current Service Cost	0.11	0.07
Benefits paid	(0.06)	(0.04)
Past Service Cost	0.00	0.00
Actual(Gain)/ Loss on Obligations*	0.03	0.03
Present Value of Obligations at the end of the year	0.57	0.46

Changes in Fair Value of Planed Assets

(₹ In Crores)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Fair Value of Plan Assets at the beginning of the year	0.21	0.19
Investment Income	0.01	0.02
Contributions	0.00	0.00
Benefits Paid	(0.06)	(0.04)
Employers Contribution	0.07	0.01
Return on plan assets , excluding amount recognised in net interest expense	0.00	0.00
Actual(Gain)/ Loss on Plan Asset*	0.00	0.03
Fair Value of Plan Assets at the end of the year	0.23	0.21

(₹ In Crores)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Fair Value of Plan Assets at the beginning of the year	0.21	0.19
Actual Return on Plan Assets	0.01	0.01
Employer's Contribution	0.07	0.01
Fair Value of Plan Assets at the end of the year	0.29	0.21

Amount recognised in balance sheet

(₹ In Crores)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Present value of projected benefit obligation at the end of the year	0.57	0.46
Fair value of plan assets at the end of year	0.29	0.21
Funded status amount of liability recognised in balance sheet	0.28	0.25

Expenses Recognised in the Profit & Loss Account

(₹ In Crores)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Current Service Cost	0.11	0.06
Past Service Cost	0.00	0.00
Interest Cost	0.03	0.04
Expected Return on Plan Aseets	0.00	0.00
Net Acturial(Gain)/ Loss Recognised In the period	0.00	0.00
Expenses Recognised in Statement of Profit and Loss	0.14	0.11



Notes to Ind AS Financial Statements for the year ended 31st March 2021

Other Comprehensive Income

Particulars	(₹ In Crores)	
	For the year ended 31st March 2021	For the year ended 31st March 2020
Actuarial (gains) / losses		
- change in demographic assumptions	0.00	0.00
- change in financial assumptions	0.00	0.00
- experience variance (i.e. Actual experience vs assumptions)	0.03	(0.20)
- others	0.00	0.00
Return on plan assets, excluding amount recognised in net interest expenses	0.00	0.00
Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling	0.00	0.00
Components of defined benefit costs recognised in other comprehensive income	0.00	0.00

Summary of actuarial assumptions

Particulars	(₹ In Crores)	
	For the year ended 31st March 2021	For the year ended 31st March 2020
Discount rate	6.85%	6.85%
Salary growth rate	5%	5%

The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the yields / rates available on applicable bonds as on the current valuation date.

The salary growth rate indicated above is the Company's best estimate of an increase in salary of the employees in future years, determined considering the general trend in inflation, seniority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.

Demographic Assumption

Particulars	(₹ In Crores)	
	For the year ended 31st March 2021	For the year ended 31st March 2020
Mortality rate (% of IALM 06-08)	100%	100%
Normal retirement age	58 Years	58 Years
Attrition / Withdrawal rates, based on age: (per annum)		
Upto 30 years	10.00%	10.00%
31-44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%

Attrition rate indicated above represents the Company's best estimate of employee turnover in future (other than on account of retirement, death or disablement) determined considering various factors such as nature of business, retention policy, industry factors, past experience, etc.

Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

Particulars	(₹ In Crores)	
	For the year ended 31st March 2021	For the year ended 31st March 2020
Defined Benefit Obligation (Base)	0.57	0.46

Notes to Ind AS Financial Statements for the year ended 31st March 2021

(₹ In Crores)

Name of equity shareholders	As at 31 March 2021		As at 31 March 2020	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	0.66	0.41	0.53	0.41
(% change compared to base due to sensitivity)	15.00%	(12.30%)	13.14%	(11.10%)
Salary Growth Rate (- / + 1%)	0.41	0.53	0.41	0.53
(% change compared to base due to sensitivity)	(12.60%)	15.20%	(11.40%)	13.50%
Attrition Rate (- / + 50% of attrition rates)	0.57	0.58	0.46	0.47
(% change compared to base due to sensitivity)	(1.20%)	0.80%	(1.30%)	0.90%
Mortality Rate (- / + 10% of mortality rates)	0.57	0.57	0.46	0.46
(% change compared to base due to sensitivity)	(0.10%)	0.10%	(0.10%)	0.10%

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Sensitivity due to mortality & withdrawals are not material & hence impact of change not calculated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

Note 39 : Commitments and contingencies**Contingent Liabilities**

(₹ In Crores)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
(a) Counter Indemnities given to Banks in respect of contracts	227.30	233.24
(b) Income Tax Liability that may arise in respect of which Company is in appeal	33.60	27.85
(c) Service Tax liability that may arise in respect of matters in appeal	22.93	10.64
(d) TDS Liability as reflected in the Traces Portal which are under Reconciliation/ Appeal	0.05	0.00
(e) Value Added Tax liability that may arise in respect of matters in appeal	97.57	0.00

- The Company is contesting the demands and the Management, including its legal counsel/Tax Advisors, believe that it is possible, but not probable, the action will succeed and accordingly no provision for liability has been recognised in the financial statements.
- WRIT Petition is under process against the Income Tax Settlement Commission Order which has been completed in the Financial Year 2019-20 and Tax due has been paid as per ITSC order in three Installments. Two Installments paid in the Financial year 2019-20 and due to Covid 19 final Installment paid in Financial year 2020-21.
- GST returns have been filed belatedly for most of the Months.
- The reconciliation for purchases and expenditures with the details available in Form 2A, according to the GST portal is under process. No provision for dues of interest on GST dues, if any, is provided in the accounts pending finalisations.

Note 40 : Segment Information

The company's operations predominantly consist of construction / project activities. Hence there are no reportable segments under Indian Accounting standard -108 - 'Operating Segments'.

Note 41 : Details of dues to Micro and Small Enterprises as defined under MSMED Act, 2006

There are no overdue amounts payable to Micro, Small and Medium Enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 based on information available with the Company. Further, the Company has not paid any interest to any Micro and Small Enterprises during the year ended March 31, 2021.



Notes to Ind AS Financial Statements for the year ended 31st March 2021

Note 42: Particulars of Unhedged Foreign Currency Exposure as at the Balance Sheet Date

(₹ In Crores)

Name of equity share holders	As at 31 March 2021		As at 31 March 2020	
	Foreign Currency	Equivalent INR	Foreign Currency	Equivalent INR
Payables				
LKR	19.85	7.70	19.84	7.70
Total	19.85	7.70	19.84	7.70
Receivables				
USD	0.11	7.94	0.11	7.94
TAKA	13.26	10.84	8.77	7.17
LKR	12.53	5.88	2.27	1.06
Total	25.90	24.66	11.15	16.17

Notes 43

(a) Name of related Parties and related party relationship

Related Party where control exists

Sr No	Name of the Related Party	Nature of Relationship
1	RPP Infra Overseas PLC	Subsidiary
2	RPP Infra Projects (Lanka) Limited	Subsidiary
3	Sanskar Dealcom Pvt Ltd	Subsidiary
4	Greatful Mercantile Pvt Ltd	Subsidiary
5	Lunkar Finance Private limited	Step down Subsidiary
6	RPP Annai JV Private Limited	Subsidiary
7	P Arul Sundaram – Chairman & Managing Director	Key Management Personnel
8	A Nithya – Whole Time Director	Key Management Personnel
9	Renaatus Projects Pvt Ltd	Mr. Arul Sundaram (CMD) is the brother of Mr. P. Selvasundaram who is promoter of M/S.Renaatus Projects Pvt Ltd
10	P & C Projects Pvt Ltd	Mrs. A. Nithya (WTD) is one of the share holder in M/s. P & C Projects Pvt Ltd and brothers of Mrs. A Nithya are Chairman of M/s. P & C Projects Pvt Ltd.
11	Sanjeevi Constructions	Mr. Muralithasan who is the Director, is Managing Partner of the Firm
12	Thaya Constructions	A firm in which Managing Director's Daughters are partners.
13	RPP P&C JV	A Firm in which RPP IPL is lead partner
14	RPP RK P&C JV	A Firm in which RPP IPL is lead partner
15	RPP Dhanya JV	A Firm in which RPP IPL is lead partner
16	RPP Renaatus JV	A Firm in which RPP IPL is lead partner
17	RPP Sathyamoorthy JV	A Firm in which RPP IPL is lead partner
18	RPP RK JV	A Firm in which RPP IPL is lead partner
19	RPP Blue Metals	Mr. P. Selvasundaram who is brother of Mr. Arulsundaram (CMD), is a director
20	Ero Techno Systems	Proprietorship owned by Mr. Arulsundaram
21	Nirara Shelters LLP	Mrs. A Nithya (WTD) is one of the Partner
22	R.P.P. Stocks and Securities Private Limited	Common Director
23	Arve Impex Private Limited	Common Director
24	RPP Ventures Private Limited	Common Director
25	Renaatus –RPP JV	A Firm in which RPP IPL is least partner
26	P&C RPP JV	A Firm in which RPP IPL is least partner
27	Spac Terminal Market Complex Limited	Common Director
28	Supreme Poultry Private Limited	Common Director
29	Dexterity Business Analysts Private Limited	Common Director
30	RPP RCCL JV	A Firm in which RPP IPL is lead partner
31	RPP Infra Projects Myanmar Limited	Associate Company
32	RPP SMC JV	A Firm in which RPP IPL is lead partner

Notes to Ind AS Financial Statements for the year ended 31st March 2021

(b) Transactions with Related Parties

Particulars	(₹ In Crores)	
	For the year ended 31st March 2021	For the year ended 31st March 2020
Nature of Transaction/ Relationship/ Parties		
Purchase of Goods & Services/ Work Bills		
Other Related Parties		
P & C Construction Pvt Ltd	0.22	0.64
Sanjeevi Constructions	0.24	0.00
Renaatus Projects Pvt Ltd	0.15	0.21
Thaya Constructions	2.34	1.46
RPP Blue Metals	0.28	0.09
Ero Techno Systems	0.33	0.00
Sale of goods/ contract revenue & services		
Subsidiaries		
RPP Annai JV Private Limited	0.00	0.90
Other Related Parties		
Renaatus Projects Pvt Ltd	0.37	0.00
P & C Construction Pvt Ltd	5.81	3.90
Sanjeevi Constructions	0.00	0.00
Ero Techno Systems	0.21	0.00
RPP P&C JV	10.05	0.00
RPP RCCL JV	4.76	0.00
Subscription to equity shares (including application money paid)		
Subsidiaries		
RPP Annai JV Private Limited	0.00	0.01
Sale of Subsidiaries		
R.P.P. Energy Systems Pvt Ltd	0.03	0.00
Advances/Loan received/ recovered		
Subsidiaries		
RPP Infra Overseas PLC		
RPP Annai JV Private Limited	-	4.99
Other Related Parties		
Sanjeevi Constructions	0.28	0.16
Renaatus Projects Pvt Ltd	5.80	0.00
P & C Projects Pvt Ltd	0.40	0.33
RPP Dhanya JV	7.18	0.00
RPP Renaatus JV	3.99	0.00
Other Related Parties Transactions		
P. Arulsundaram - Chairman and Managing Director	5.93	5.29
Mrs. A. Nithya - Whole Time Director	4.26	12.84
Other Transactions		
Outstanding Balance as on 31/03/2021		
Subsidiaries		
R.P.P. Energy Systems Pvt Ltd	0.00	0.00
RPP Infra Overseas PLC	7.94	7.94
RPP Infra Projects (Lanka) Limited	7.70	7.70
Sanskar Dealcom Pvt Ltd	0.00	0.00
Greatful Mercantile Pvt Ltd	0.01	0.00
RPP Annai JV Private Limited	4.96	5.02
Other Related Parties		
Renaatus Projects Pvt Ltd	6.38	0.39
P & C Projects Pvt Ltd	4.41	0.01



Notes to Ind AS Financial Statements for the year ended 31st March 2021

(₹ In Crores)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Thaya Constructions	1.25	0.19
Sanjeevi Constructions	0.65	0.97
RPP Dhanya JV	7.00	0.00
RPP Renaatus JV	3.99	0.00
RPP Sathyamoorthy JV	0.00	0.00
Lunkar Finance Private limited	10.45	0.01
Ero Techno Systems	0.31	0.00
RPP Blue Metals	0.25	0.00
RPP P&C JV	0.80	0.00
RPP RK P&C JV	0.99	0.00
RPP RK JV	0.00	0.00
Due to Director (Current Account)		
P. Arulsundaram - Chairman and Managing Director	0.15	0.35
Mrs. A. Nithya - Whole Time Director	0.07	0.11
Payment of Salaries/ perquisites (Other than commission to Key management personnel)		
Mr. P. Arulsundaram - Chairman and Managing Director	0.12	0.63
Mrs. A. Nithya - Whole Time Directors	0.05	0.27
Rent Paid to Directors		
Mr. P. Arulsundaram - Chairman and Managing Director	0.08	0.00
Interest paid to Director		
Mr. P. Arulsundaram - Chairman and Managing Director	0.00	0.16
Mrs. A. Nithya - Whole Time Directors	0.00	0.74

Note 44 : Financial Instruments Disclosure

44.1 Capital management

The Company's objective when managing capital is to:

- Safeguard its ability to continue as going concern so that the Company is able to provide maximum return to stakeholders and benefits for other stakeholders; and
- Maintain an optimal capital structure to reduce the cost of capital.
- The company maintains its financial framework to support the pursuit of value growth for shareholders, while ensuring a secure financial base. In order to maintain or adjust the capital structure, the Company may return capital to shareholders, issue new shares or sell assets to reduce debt.

The capital structure of the Company comprises of equity share capital, retained earnings and other equity attributable to equity holders. The Company is not subject to any externally imposed capital requirements.

44.2 Gearing ratio

The following table summarizes the capital of the Company and the gearing ratios:

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
Total equity as per balance sheet	267.81	236.17
Non- current borrowings	68.42	44.92
Current borrowings	42.91	49.93
Current portion of long term borrowings	11.70	12.61
Cash and Bank balances	107.01	51.57
Net Debt	16.01	55.90
Net debt to Equity ratio	5.98%	23.67%

Notes to Ind AS Financial Statements for the year ended 31st March 2021**44.3 Categories of Financial Instruments**

(₹ In Crores)

Particulars	As at	As at
	31st March 2021	31st March 2020
Financial Assets		
Measured at fair value through profit or loss (FVTPL) (mandatorily measured)		
(a) Investment	7.14	0.62
Measured at Amortised cost		
(b) Trade Receivables	145.93	147.43
(c) Cash and Cash equivalents	107.01	51.57
(d) Short Term Loans & Advances	33.28	35.91
(e) Others	147.76	142.96
Financial Liabilities		
Measured at amortised cost		
(a) Borrowings	111.33	94.86
(b) Trade payables	128.23	119.33
(c) Other financial liabilities	89.61	93.50

44.4 Financial Risk Management Objectives

In course of its business, the Company is exposed to certain financial risks that could have significant influence on the Company's business and operational / financial performance. These include market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

The Management reviews and approves risk Management framework and policies for managing these risks and monitor suitable mitigating actions taken by the management to minimise potential adverse effects and achieve greater predictability to earnings.

In line with the overall risk management framework and policies, the treasury function provides services to the business, monitors and manages through an analysis of the exposures by degree and magnitude of risks

44.4.1 Market Risk

Market risk is the risk or uncertainty arising from possible market price movements and their impact on the future performance of a business. The major components of market risk are foreign currency exchange risk and interest rate risk.

44.4.1.1 Foreign Currency Risk Management

The company has overseas subsidiaries which are however are not material subsidiaries. Net amount payable / receivable are not hedge and company is hopeful of recovering the same in ensuing financial year. There are no other foreign currency risk exposure to the Company.

44.4.1.2. Interest rate risk.

The Company is not exposed to interest rate risk because of borrowal of funds at fixed interest rates. The company's exposure to interet rate on borrowings are detailed in note 18.

44.4.2 Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. The customer profile consists of around 80-90% from Govt. Sectors

The company's exposure to credit risk for trade and other receivables by type of counterparty are as follows

(₹ In Crores)

Particulars	Percentage to Total Trade receivables	
	As at 31st March 2021	As at 31st March 2020
Govt companies	83%	87%
Others	17%	13%



Notes to Ind AS Financial Statements for the year ended 31st March 2021

44.4.3 Liquidity Risk

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The Company manages liquidity risk by maintaining sufficient cash and cash equivalents including bank deposits and availability of funding through an adequate amount of committed credit facilities to meet the obligations when due. Management monitors rolling forecasts of liquidity position and cash and cash equivalents on the basis of expected cash flows. In addition, liquidity management also involves projecting cash flows considering level of liquid assets necessary to meet obligations by matching the maturity profiles of financial assets & liabilities and monitoring balance sheet liquidity ratios.

Contractual maturity of financial liabilities:

As at March 31, 2021	Due - within 1 year	Due – More than 1 year	Total
Non-Current Borrowings	11.70	68.42	80.11
Other Non-Current Financial Liabilities	0.00	0.00	0.00
Current Borrowings	42.91	0.00	42.91
Trade Payables	128.23	0.00	128.23
Other Current Financial Liabilities	89.61	0.00	89.61
Total	272.45	68.42	340.87
As at March 31, 2020	Due - within 1 year	Due – More than 1 year	Total
Non-Current Borrowings	0.00	44.92	44.92
Other Non-Current Financial Liabilities	0.00	0.00	0.00
Current Borrowings	49.93	0.00	49.93
Trade Payables	119.33	0.00	119.33
Other Current Financial Liabilities	93.50	0.00	93.50
Total	262.77	44.92	307.69

NOTE 45 - DISCLOSURE PURSUANT TO CONSTRUCTION CONTRACTS

Disclosures pursuant to Indian Accounting standard (Ind AS) 115, Revenue from Contracts with Customers

- (a) The Company believes that the information provided vide Note 26 (Revenue from Operations) and vide Note 38 (Segment reporting) is sufficient to meet the disclosure requirements with respect to disaggregation of revenue under Ind AS 115, Revenue from Contracts with Customers.
- (b) Reconciliation of the amount for revenue recognised in the Standalone Statement of Profit and Loss with the contracted price:

Particulars	(₹ In Crores)	
	As at 31st March 2021	As at 31st March 2020
Revenue from operations	477.90	575.69
Adjustments:		
Claims	0.00	0.00
Revenue from contract with customers	477.90	575.69

(c) Contract balances

- (i) The following table provides information about receivables, contract assets and contract liabilities from the contracts with customers.

Particulars	Note	(₹ In Crores)	
		As at 31st March 2021	As at 31st March 2020
Trade receivables	11	145.93	147.43
Contract assets : Unbilled revenue	14	147.76	142.96
Contract liabilities - Advance billing to customer	24	8.67	7.04
Contract liabilities - Mobilisation advances	24	39.69	39.06

Notes to Ind AS Financial Statements for the year ended 31st March 2021

(ii) Movement in contract balances during the year

Particulars	(₹ In Crores)		
	Contract assets	Contract liabilities	Net contract balances
Opening balance as at April 1, 2020	142.96	46.10	96.86
Closing balance as at March 31, 2021	147.76	48.35	99.41
Net increase/(Decrease)	4.81	2.25	2.55

Note: Increase in net contract balances is primarily due to higher revenue recognition as compared to progress bills raised during the year.

(iii) Revenue recognised during the year from opening balance of Contract liabilities amounts to Rs. 16.75 Crores

(d) Remaining performance obligations

In case of revenue from Road repair and maintenance, the Company applies the practical expedient in paragraph 121 of Ind AS 115 and does not disclose information about remaining performance obligations where the Company has a right to consideration from customer in an amount that corresponds directly with the value to the customer of the Company's performance completed to date. Accordingly, the Company recognises revenue by an amount to which the Company has a right to invoice.

Remaining performance obligations are subject to variability due to several factors such as changes in scope of contracts, periodic revalidations of the estimates, economic factors (changes in currency rates, tax laws etc). The aggregate value of transaction price allocated to remaining performance obligations is Rs 777.70 Crores out of which 35%-40% is expected to be recognised as revenue in the next year and the balance thereafter.

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

As per our report of even date

On behalf of Board of Directors

CA S N DURAISWAMY
Membership No. : 026599

P. Arul Sundaram
Chairman &
Managing Director
DIN: 00125403

A. Nithya
Whole Time Director &
Chief Financial Officer
DIN: 00125357

Date: 01.06.2021
Place: Erode

Pradeep Kumar Nath
Company Secretary
M. No: 40148



INDEPENDENT AUDITOR'S REPORT

To
The Members of
R.P.P. Infra Projects Ltd.

Report on the Audit of the Consolidated Financial Statements

Opinion

I have audited the accompanying consolidated financial statements of R.P.P. Infra Projects Limited ("the Holding Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2021, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

I have determined the matters described below to be the key audit matters to be communicated in my report.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated financial statements of the current period. These matters were addressed in the context of my audit of the consolidated financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

S. No.	Key Audit Matter	Auditor's Response
1.	<p>Revenue recognition in accordance with Ind AS 115 "Revenue from Contracts with Customers"</p> <p>The Company inter alia engages in Fixed-price development contracts, where, revenue is recognized using the percentage of completion computed as per the input method based on management's estimate of contract costs. (Refer Notes No. 27 to the Standalone Financial Statements)</p> <p>I identified revenue recognition of fixed price development contracts as a KAM considering –</p> <ul style="list-style-type: none"> • There is an inherent risk around the accuracy of revenues given, the customised and flexible nature of these contracts in terms of tenure of the projects. • Application of revenue recognition accounting standard is complex and involves a number of key judgments and estimates including estimating the future cost-to-completion of these contracts, which is used to determine the percentage of completion of the relevant performance obligation; 	<p>My audit procedures on revenue recognized from fixed price development contracts include</p> <ul style="list-style-type: none"> • Understanding of the systems, processes and controls implemented by management for recording and calculating revenue and work-in-progress/Contract assets. • On selected samples of contracts, I tested that the revenue recognized is in accordance with the accounting standard by – <ul style="list-style-type: none"> ▶ Evaluating the performance obligation; ▶ Testing management's calculation of the estimation of contract cost and onerous obligation, if any. I : <ul style="list-style-type: none"> ◆ Observed that the estimates of cost to complete were reviewed and approved by appropriate levels of management;

S. No.	Key Audit Matter	Auditor's Response
	<ul style="list-style-type: none"> • These contracts may involve onerous obligations on the Company that require critical estimates to be made by management; and • At year-end a significant amount of work in progress (Contract assets and liabilities) related to these contracts is recognised in the balance sheet. 	<ul style="list-style-type: none"> ◆ Performed a retrospective review of costs incurred with estimated costs to identify significant variations and verify whether those variations have been considered in estimating the remaining costs to complete the contract; and ◆ Assessed the appropriateness of work in progress (contract assets) in balance sheet by evaluating the underlying documentation to identify possible delays in achieving milestones which may require change in estimated costs to complete the remaining performance obligations.
2.	<p>Evaluation of Going Concern assumption of accounting : The evaluation of the appropriateness of adoption of going concern assumption for preparation of these financial statements performed by the management of the Group is identified as a key audit matter.</p> <p>The Group has prepared future cash flow forecasts which involves judgement and estimation of key variables and market conditions including future economic conditions on account of prevailing global pandemic COVID-19.</p> <p>The Group is confident that the net cash inflows from operating activities in conjunction with the available line of credit and normal cyclical nature of working capital receipts and payment will provide sufficient liquidity to meet its financial obligation as the fall due for the following twelve months. Hence, these financial statements have been prepared adopting the going concern assumption.</p>	<p>Our procedures in relation to evaluation of going concern included the following:</p> <ul style="list-style-type: none"> • Obtained an understanding of the process followed by the management and tested the internal controls over the liquidity assessment, compliance with the debt covenants and preparation of the cash flow forecast, and validation of the assumptions and inputs used in the model to estimate the future cash flows. • Tested the inputs and assumptions used by the management in the cash flow forecast against historical performance, budgets, economic and industry indicators, publicly available information, the Group's strategic plans and benchmarking of key market related conditions. • Assessing the key assumptions including those pertaining to revenue and the timing of significant payments in the cash flow forecast for the following eighteen months. • Performed sensitivity analysis on key assumptions like input prices, discount rate and selling prices to determine their impact on the projections of future cash flows also on any possible cash outgo for securing the extension of the Rajasthan oil and gas block. • Compared the details of the Group's long-term credit facilities to the supporting documentation. • Assessed the disclosures made by the Group in this regard.
3.	<p>Measurement of contract assets in respect of overdue milestones and receivables in respect of overdue invoices The Company, in its contract with customers, promises to transfer distinct services to its customers, which may be rendered in the form of engineering, procurement, and construction (EPC) services through design-build contracts, and other forms of construction contracts. The recognition of revenue is based on contractual terms, which could be based on agreed unit price</p>	<p>The procedures performed included the following:</p> <ul style="list-style-type: none"> • obtained an understanding of the Company's processes in collating the evidence supporting execution of work for each disaggregated type of revenue; • obtained an understanding of the Company's processes in assessing the recoverability of amounts overdue and process over estimating the expected credit loss allowance; • tested the design and operating effectiveness of the key controls over the completeness and accuracy of the key inputs and assumptions into the provisioning model;



S. No.	Key Audit Matter	Auditor's Response
	<p>or lump-sum revenue arrangements. At each reporting date, revenue is accrued for costs incurred against work performed that may not have been invoiced. Identifying whether the Company's performance has resulted in a service that would be billable and collectable where the works carried out have not been acknowledged by customers as of the reporting date, or in the case of certain defence contracts, where the evidence of work carried out and cost incurred are covered by confidentiality arrangements, involves a significant amount of judgment. Assessing the recoverability of contract assets related to overdue milestones and amounts overdue against invoices raised which have remained unsettled for a significantly long period after the end of the contractual credit period also involves a significant amount of judgment.</p> <p>Refer to Note No. 2.14(i) and Note No.28 of the consolidated financial statements</p>	<ul style="list-style-type: none"> • evaluated controls over authorisation and calculation of provisioning model; • evaluated the delivery and collection history of customers against whose contracts un-invoiced revenue is recognised; • verified for the sample selected, receipts post balance sheet date upto the approval of the financial statements by the Board of Directors of the Parent Company; • performed an overall assessment of the expected credit loss provision to determine if they were reasonable considering the Company's portfolio, risk profile, credit risk management practices and the macroeconomic environment; and • tested the appropriateness of the disclosures in the financial statements to ensure compliance with Ind AS 115
4.	<p>Physical verification of Inventory</p> <p>The Company's management conducts physical verification of inventories during the year at reasonable intervals, however, on account of the COVID-19 related lockdown restrictions, management was able to perform year end physical verification of inventories, only at certain locations. Management has carried out other procedures to validate the existence of its inventory as at the year-end, such as carrying out consumption analysis, and performing roll-back procedures from the subsequent year end physical verification date to determine the quantities of the inventory at the balance sheet date. Refer Note No. 2.03 of the consolidated financial statements.</p>	<p>The procedures performed included the following:</p> <ul style="list-style-type: none"> • Understood the process and tested the management's internal controls to establish the existence of inventory in relation to the process of periodic physical verification carried out by the management, the scope and coverage of the periodic verification programme, the results of such verification including analysis of discrepancies, if any; • At selected locations subsequent to year-end, where the management appointed third party independent chartered accountants to perform physical verification, sent instructions to the third party chartered accountants to carry out the physical verification and provided samples to be verified by them. We have received the report of the physical verification carried out by the third party independent chartered accountants. Obtained the roll back procedures performed by the management from the subsequent year-end physical verification date to arrive at the quantities as at the balance sheet date. Traced the samples physically verified by the third party independent chartered accountants roll back workings provided by the management. • Inspected, for samples selected, supporting documentation relating to purchases and consumption, and such other third party evidences where applicable. • Tested the analytical reviews performed by the Company such as consumption analysis.

S. No.	Key Audit Matter	Auditor's Response
5.	<p>Claims and exposures relating to taxation and litigation</p> <p>The Group is subject to a large number of tax and legal disputes, which have been disclosed / provided for in the financial statements based on the facts and circumstances of each case.</p> <p>Taxation and litigation exposures have been identified as a key audit matter due to the complexities involved in these matters, timescales involved for resolution and the potential financial impact of these on the financial statements. Further, significant management judgement is involved in assessing the exposure of each case and thus a risk that such cases may not be adequately provided for or disclosed.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • Gained an understanding of the process of identification of claims, litigations and contingent liabilities and identified key controls in the process. • For selected controls we have performed tests of controls. • Obtained the summary of Group's legal and tax cases and critically assessed management's position through discussions with the Legal Counsel, Head of Tax and operational management, on both the probability of success in significant cases, and the magnitude of any potential loss. • Examined external legal opinions (where considered necessary) and other evidence to corroborate management's assessment of the risk profile in respect of legal claims. • Assessed the relevant disclosures made within the financial statements to address whether they reflect the facts and circumstances of the respective tax and legal exposures and the requirements of relevant accounting standards. • Assessed the competence and objectivity of the Group's experts, to satisfy ourselves that these parties are suitable in their roles.

We have determined that there are no other Key Audit Matters to communicate in our report.

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

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the standalone financial statements and my auditors' report thereon.

My opinion on the standalone financial statements does not cover the other information and i do not express any form of assurance conclusion thereon.

In connection with my audit of the standalone financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information; I have required reporting that fact. I have nothing to report in this regard.

Management's Responsibilities for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates and Jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of



the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for assessing the ability of the Group and of its associates and jointly controlled entities 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for overseeing the financial reporting process of the Group and of its associates and jointly controlled entities.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

As part of an audit in accordance with SAs, I exercise professional judgment and maintain professional scepticism throughout the audit. I 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 my 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, I am also responsible for expressing my 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Company and its joint operations to express an opinion on the standalone financial statements. I am responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the standalone financial statements of which I am the independent auditor. For the other entities included in the standalone financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. I remain solely responsible for my audit opinion.

I 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 I identify during my audit.

I also provide those charged with governance with a statement that I 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 my independence, and where applicable, related safeguards.

Emphasis of Matter

I invite attention to:

- a. The mobilisation advance received by the Company from certain departments and the proportionate amount which has to be classified as GST liability has been shown as mobilisation advance liability to the extent of Rs. 1.99 Crores (Refer Note No. 25).

My Opinion is not modified in respect of this matter

- b. I draw attention to note No.2.03(viii) of the Standalone financial statements in which the company describes the uncertainties arising from the Covid-19 Pandemic.

My report is not modified in respect of this matter

Other Matters

I did not audit the financial statements of Two branches and Six jointly controlled operations included in the standalone financial results of the Company, whose results reflect total assets of Rs. 51.06 crores as at 31st March, 2021 and total revenues of Rs. 145.94 crores and Rs.45.93 crores, net profit/(Loss) after tax of (Rs.3.48 crores) and Rs.(0.41 crores) and total comprehensive income of Rs. Nil for the year ended March 31st 2021 and for the period 01.01.2021 to 31.03.2021 respectively, and net cash flows amounting to Rs.55.45 crores for the year then ended as considered in the consolidated Financial Results. These branch financial statements have not been audited by other Auditors whose reports and These JV's financial statements have been audited by other Auditors whose reports have been furnished to me by the Management and my opinion on the consolidated Financial Results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by me are as stated in paragraph above.

I did not audit the financial statements of six Subsidiaries, one Associate, two branches and Six jointly controlled operations included in the consolidated quarterly financial results and year to date results, whose consolidated financial statements reflect total assets of Rs.633.77 crores and net assets of Rs.45.19 crores as at March 31, 2021, total revenue of Rs.181.17 crores and Rs.54.93 crores and total net profit/(loss) after tax of (Rs.10.51) crores and (Rs.0.82) crores, and total comprehensive income/(loss) of (Rs.7.00) crores and (Rs.7.00) crores for the year ended 31st March, 2021 and for the period January 01, 2021 to March 31, 2021 respectively and cash flows (net) of Rs.55.31 crores for the year ended March 31, 2021, as considered in the consolidated financial results. Out of six subsidiaries, two branches, one associate and six jointly controlled operations, the interim financial statements and other financial information of Four subsidiaries, six jointly controlled operations have been audited by other auditors whose reports have been

furnished to me, and my opinion on the quarterly financial results and the year to date results, to the extent they have derived from such interim financial statements is based solely on the report of such other auditor. In respect of the financial statements of two of subsidiaries RPP Infra Overseas PLC Mauritius, RPP Infra Projects (Lanka) Limited, one associate R.P.P Infra Projects Myanmar Ltd and branch offices at Jaffna -Srilanka and at Dhaka - Bangladesh, the audited statements were not made available and reliance has been entirely placed only on the certificate by the management.

My opinion on the consolidated Financial Results is not modified in respect of the above matters with respect to my reliance on the work done and the reports of the other auditors and the Financial Results/financial information certified by the Board of Directors.

The Consolidated financial results include the results for the quarter ended March 31, 2021 being the balancing figures between the audited figures in respect of the full financial year and published unaudited year to date figures up to the third quarter of the current financial year, which were subject to limited review by me.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, I report, to the extent applicable, that:

- (a) I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit of the aforesaid consolidated financial statements.
- (b) In my opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from my examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In my opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and jointly controlled companies incorporated in India, none of the directors of



the Group companies, its associate companies and jointly controlled companies incorporated in India is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

- (f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls; refer to my separate report in Annexure-A, which is based on the auditor's report of the company and its subsidiary companies incorporated in India. My audit report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the company and its subsidiary companies incorporated in India.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in my opinion and to the best of my information and according to the explanations given to me:

- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer Note 42 to the consolidated financial statements.
- ii. The Group does not have any material foreseeable losses on long-term contracts including derivative contracts.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies, associate companies and jointly controlled companies incorporated in India.

Place: Erode
Date: 01 June, 2021

For CA **S.N. Duraiswamy**
Chartered Accountant
Membership No. : 026599
UDIN :21026599AAAADT8001

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

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

I have audited the internal financial controls over financial reporting of RPP Infra Projects Limited as of March 31, 2021 in conjunction with my audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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

My responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on my audit. I conducted my audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that I 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.

My audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. My 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.

I believe that the audit evidence i have obtained is sufficient and appropriate to provide a basis for my audit opinion on the Company's internal financial controls system over financial reporting, except

relating to the branches in Srilanka and Bangladesh.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In my opinion, to the best of the information and explanations given to me, except relating to the branches in Srilanka and Bangladesh for which i have neither audited nor received an Independent Auditor's report on the same, 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, 2021 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 CA S.N. Duraiswamy
Chartered Accountant

Place: Erode
Date: 01 June, 2021

Membership No. : 026599
UDIN :21026599AAAADT8001



Consolidated Balance Sheet as on 31st March 2021

Particulars	Note Number	(₹ In Crores)	
		As at 31st March 2021	As at 31st March 2020
Assets			
Non-current assets			
Property, plant and equipment	3	47.00	47.68
Capital work in progress	4	4.08	3.91
Other Intangible assets	5	0.01	0.26
Goodwill		0.32	0.27
Financial assets		0.00	0.00
Investments	6	0.07	0.09
Long Term Loans & Advances	7	9.22	2.45
Deferred Tax Asset	8	0.00	0.00
Other Non-Current Assets	9	4.48	3.34
Total		65.18	58.00
Current assets			
Inventories	10	11.45	24.31
Financial assets		0.00	0.00
Investments	6	0.00	0.00
Trade Receivables	11	156.03	164.37
Cash and Cash equivalents	12	107.28	51.97
Short Term Loans & Advances	13	33.00	36.81
Other Financial Asset	14	147.78	142.97
Other Current Assets	15	101.57	110.15
Current Tax Assets (net)	27	11.46	0.00
Total		568.58	530.57
Total assets		633.77	588.57
Equity and liabilities			
Equity			
Equity Share Capital	16	23.65	22.60
Share Warrant		6.64	0.00
Other Equity	17	256.17	239.12
Equity Attributable to the Shareholders of the Company		286.47	261.72
Non Controlling Interests		(0.01)	0.00
Total equity		286.46	261.72
Non-current liabilities			
Financial liabilities			
Borrowings	18	57.96	34.45
Other Financial Liabilities	20	6.70	0.00
Deferred Tax Liability (Net)	8	0.01	0.88
Provisions	21	0.30	0.20
Total		64.97	35.53
Current liabilities			
Financial Liabilities			
Borrowings	22	42.91	49.93
Trade payables			
(a) Total outstanding dues of micro enterprises & small enterprises	23	0.00	0.63
(b) Total outstanding dues of creditors other than micro enterprises & small enterprises	23	130.65	114.72
Other current financial liabilities	24	87.03	101.52
Other Current Liabilities	25	13.19	17.21
Short Term Provisions	26	2.47	2.43
Current Tax Liabilities (Net)	27	6.08	4.87
Total		282.33	291.32
Total liabilities		347.30	326.85
Total equity and liabilities		633.77	588.57
Summary of significant accounting policies	1&2		

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

As per our report of even date

On behalf of Board of Directors

CA S N DURAISWAMY
Membership No. :026599

P. Arul Sundaram
Chairman &
Managing Director
DIN: 00125403

A. Nithya
Whole Time Director &
Chief Financial Officer
DIN: 00125357

Date : 01.06.2021
Place :Erode

Pradeep Kumar Nath
Company Secretary
M.No: 40148

Consolidated Statement of Profit & Loss for the year ended 31st March 2021

(₹ In Crores)

Particulars	Note Number	For the year ended 31st March 2021	For the year ended 31st March 2020
Revenue			
Revenue from operations	28	513.11	600.02
Other income	29	11.22	7.95
Total Income from Operations (a+b)		524.33	607.96
Expenses			
Cost of Raw materials and components Consumed	30	122.22	155.81
Direct Operating Cost	31	322.34	346.22
Employee benefits expense	32	10.94	13.41
Finance Cost	33	18.95	22.68
Depreciation and amortization expense	34	6.12	7.16
Other expenses	35	21.64	29.02
Total Expenses		502.21	574.31
Profit/(Loss) from ordinary activities before tax and exceptional items		22.12	33.65
Exceptional items		0.00	0.00
Profit / (Loss) after Exceptional Before tax		22.12	33.65
Tax Expense	36		
Current Tax		7.49	9.74
Taxes of earlier years		0.00	5.62
Deferred tax		(0.86)	0.14
Total Tax expense		6.62	15.50
Profit/(loss) for the year		15.50	18.16
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Remeasurement of defined benefit plans		0.09	(0.20)
Net change in fair values of investments in equity shares carried at fair value through OCI		0.00	0.01
Income tax relating to items that will not be reclassified to profit or loss		0.00	0.05
Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
Items that will be reclassified to profit or loss		0.00	0.00
Exchange differences on translation of Financial Statement of Foreign Companies		7.00	(1.17)
Income tax relating to items that will be reclassified to profit or loss		0.00	0.00
Other Comprehensive Income for the year, net of tax		7.09	(1.31)
Total comprehensive income for the year, net of tax		8.41	19.47
Profit for the Year Attributable to			
Shareholders of the Company		8.42	19.47
Non Controlling Interest		(0.01)	0.00
Basic Earnings per share		6.55	8.04
Diluted Earnings per share		6.55	8.04
Summary of significant accounting policies	1&2		

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

As per our report of even date

On behalf of Board of Directors

CA S N DURAISWAMY
Membership No.:026599

P. Arul Sundaram
Chairman &
Managing Director
DIN: 00125403

A. Nithya
Whole Time Director &
Chief Financial Officer
DIN: 00125357

Date : 01.06.2021
Place :Erode

Pradeep Kumar Nath
Company Secretary
M.No: 40148



Consolidated Statement of Cash Flow for the year ended 31st March 2021

Particulars	(₹ In Crores)	
	For the year ended 31st March 2021	For the year ended 31st March 2020
PROFIT BEFORE TAX	22.12	33.65
NON-CASH ADJUSTMENTS TO RECONCILE PROFIT/(LOSS) BEFORE TAX TO NET CASH FLOWS		
Add: Depreciation	6.12	7.16
Add: Interest paid	18.95	22.68
Less: Interest received	(2.37)	(1.60)
Add: Profit/Loss on sale of Property, Plant and Equipment	0.16	0.01
Add: (Profit)/Loss on sale of Investment (Net)	0.02	0.00
Add: Changes in WIP	0.94	0.00
Add: Unrealized foreign exchange losses/(gains)	0.00	1.31
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	45.93	63.21
WORKING CAPITAL ADJUSTMENTS		
Increase / (Decrease) in Trade payables	15.30	(15.71)
Increase / (Decrease) in Other Current Financial Liabilities	(14.49)	55.63
Increase / (Decrease) in Other Current Liabilities	(4.02)	(43.69)
Increase / (Decrease) in Short Term Provisions	0.04	0.15
Increase / (Decrease) in Current Liabilities (Net)	0.00	0.00
(Increase) / Decrease in Trade Receivables	8.34	7.91
(Increase) / Decrease in Inventories	12.86	(3.94)
(Increase) / Decrease in Other Non-Current Assets	(1.13)	(0.43)
Increase / (Decrease) in Provisions	1.13	0.00
(Increase) / Decrease in Long Term Loans & Advances	(6.78)	(2.45)
(Increase) / Decrease in Short Term Loans & Advances	3.81	(4.93)
(Increase) / Decrease in Other Financial Assets	(4.82)	27.40
(Increase) / Decrease in Other Current Assets	(2.88)	(10.16)
Increase / (Decrease) in Other Financial Liabilities	6.70	0.00
Increase / (Decrease) in Other Liabilities	0.10	1.04
Increase / (Decrease) in Deferred Tax Assets / Liabilities		
Less: Direct Taxes Paid	(15.36)	(16.35)
A Cash Flow from / (used) in Operating Activities	44.73	57.66
CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from Investments	0.02	(0.01)
Payments for Purchase of Property, Plant and Equipment	(5.49)	(0.88)
Interest received	2.37	1.60
B Cash Flow from / (used) in Investing Activities	(3.09)	0.71
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from borrowings		
Repayment of borrowings	16.48	(32.43)
Purchase of equity or debt instruments of other entities	7.69	0.00
Interest paid	(18.95)	(22.68)
Others	8.46	0.00
C Cash Flow from / (used) in Financing Activities	13.67	(55.11)
Net increase/(decrease) in cash and cash equivalents(A+B+C)	55.31	3.32
Add: Cash and cash equivalents at the beginning of the period	51.97	48.65
Cash and cash equivalents at the end of the period	107.28	51.97

Notes:

- Statement of cash flows has been prepared under the indirect method as set out in the IND AS 7 "Statement of cash Flows" as specified in the companies (Indian Accounting Standards) Rules, 2015
- Previous year figures have been regrouped/reclassified wherever required

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

As per our report of even date

On behalf of Board of Directors

CA S N DURAISWAMY
Membership No. :026599

P. Arul Sundaram
Chairman &
Managing Director
DIN: 00125403

A. Nithya
Whole Time Director &
Chief Financial Officer
DIN: 00125357

Date : 01.06.2021

Place : Erode

Pradeep Kumar Nath
Company Secretary
M.No: 40148

Consolidated Statement of Changes in Equity for the year ended 31st March 2021**a. Equity Share Capital**

(₹ In Crores)

Particulars	Number	Amount
Equity shares of Rs 10 each issued, subscribed and fully paid		
As at 31 March 2020	2,26,00,584.00	22.60
Issue of share capital	10,50,000.00	1.05
As at 31 March 2021	2,36,50,584.00	23.65

b. Other Equity

(₹ In Crores)

Particulars	Share Premium	Retained Earnings	Foreign Currency Translation Reserve	Other Reserves	Total Other Equity
As at 1 April 2020	55.86	180.89	0.00	2.38	239.12
Profit for the period		15.50			15.50
Share Warrant Premium	8.40	0.00			8.40
Others		(13.94)			(13.94)
Other comprehensive income		7.09	0.00		7.09
As at 31st March 2021	64.26	189.54	0.00	2.38	256.17
As at 1 April 2019	55.86	158.99	1.32	2.38	218.55
Profit for the period/Others		20.59			20.59
ITSC			(1.32)		(1.32)
Other comprehensive income		1.31			1.31
As at 31st March 2020	55.86	180.89	0.00	2.38	239.12

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

As per our report of even date

On behalf of Board of Directors

CA S N DURAISWAMY
Membership No.:026599

P. Arul Sundaram
Chairman &
Managing Director
DIN: 00125403

A. Nithya
Whole Time Director &
Chief Financial Officer
DIN: 00125357

Date : 01.06.2021
Place :Erode

Pradeep Kumar Nath
Company Secretary
M.No: 40148



Notes to Consolidated Ind AS Financial Statements for the year ended 31st March 2021

Note 1 : Company Overview

RPP Infra Projects Limited has been engaged in nation-building since 1995. It is engaged in construction across multiple infrastructure verticals like roads, buildings, industrial structures, power, irrigation and waste management and has executed many projects in Tamil Nadu, Kerala, Maharashtra, Karnataka and Andhra Pradesh (erstwhile) for 20 years.

The company has the following subsidiaries which are engaged in the businesses mentioned below:

R.P.P Infra Overseas PLC and RPP Infra Projects (Lanka) Limited are engaged in the business of construction contracts and construction activities

Greatful Mercantile Private Limited and Sanskar Dealcom Private Limited are engaged in the business of other non-specialised wholesale trade.

Lunkar Finance Private Limited is in the business of providing non-banking financial services.

Note 2 : Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements.

2.01 Statement of compliance

Recent Accounting Developments:

1) New Standards notified and adopted by the Company

MCA on 29 March 2018 notified the new standard for revenue recognition – Ind AS 115 (effective from 1 April 2018) which overhauls the existing revenue recognition standards including Ind AS 18 – Revenue and Ind AS 11 – Construction contracts. The new standard provides a control-based revenue recognition model and provides a five-step application principle to be followed for revenue recognition:

- a) Identification of the contracts with the customer
- b) Identification of the performance obligations in the contract
- c) Determination of the transaction price
- d) Allocation of transaction price to the performance obligations in the contract (as identified in step b)
- e) Recognition of revenue when the Company satisfies a performance obligation.

A number of other standards had been modified on miscellaneous issues with effect from 1st April 2018. Such changes include principle for transfer of asset to, or from, Investment Property (Amendment to Ind AS 40), determination of exchange rate for translation of foreign currency where a pre-payment asset or a deferred income liability is recognized (Amendment to Ind AS 21), segregation of deductible temporary differences in accordance with tax laws and assessing them on that basis to recognise deferred tax asset (Amendment to Ind AS 12), permitting election of fair value or equity method of accounting for investments in associates and joint ventures by venture capital, mutual fund and other similar organisations (Amendment to Ind AS 28) and Applicability of disclosure requirements to interests classified as held for sale or as discontinued operation (Amendment to Ind AS 112).

None of these amendments have any material effect on the Company's financial statements.

2) Ind AS New Standard notified but not early adopted by the Company

(i) New Accounting Standard on Lease

Ind AS 116 replaces existing standard Ind AS 17 "Leases". The standard is effective for annual periods beginning on or after April 1, 2019.

Ind AS 116 introduces a single, on balance sheet lease accounting model for lessees. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short term leases and leases of low value items. Lessor accounting remains similar to the current standard.

The said amendment does not have any impact on the financial statements.

Notes to Consolidated Ind AS Financial Statements for the year ended 31st March 2021

(ii) Other amendments

Several other accounting standards have been modified on miscellaneous issues with effect from 1st April 2019. Such changes include clarification/guidance on:

- a) business combination accounting in case of obtaining control of a joint operation;
- b) accounting in case of obtaining joint control of an operation wherein there was no joint control earlier;
- c) income tax consequences in case of dividends;
- d) accounting for income tax when there is uncertainty over income tax treatment of an item by tax authorities;
- e) accounting treatment for specific borrowings post capitalization of corresponding qualifying asset;
- f) accounting for prepayment features with negative compensation in case of debt instruments;
- g) accounting for plan amendment, curtailment or settlement occurring in-between the reporting periods in case of long-term employee benefit plans;
- h) accounting for long-term interests in associates and joint ventures to which the equity method is not applied but that in substance form part of the net investment in the associate or joint venture (long-term interests).

None of these amendments are expected to have any material effect on the Company's financial statements.

2.02 Basis of Preparation

The Financial Statements comprising Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity, Statement of Cash Flow together with notes for the year ended March 31, 2021, have been prepared in accordance with applicable Indian Accounting Standards (Ind AS) prescribed under section 133 of Companies Act, 2013 read with Companies (Indian Accounting Standard) Rules as amended from time to time.

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

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

As the operating cycle cannot be identified in normal course due to the special nature of industry, the same has been assumed to have duration of 12 months. Accordingly, all assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Division II of Schedule III to the Companies Act, 2013.

Operating Cycle

Operating cycle for the business activities of the company covers the duration of the specific project/contract/product line/service including the defect liability period wherever applicable and extends up to the realisation of receivables (including retention monies) within the agreed credit period normally applicable to the respective lines of business.

Current and 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 treated as current when:

- (i) It is expected to be settled in normal operating cycle



Notes to Consolidated Ind AS Financial Statements for the year ended 31st March 2021

- (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

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

- (i) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (ii) Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.
- (iii) Level 3 inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

Functional and Presentation Currency

Items included in financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). Indian rupee is the functional currency of the Company.

The Financial Statements are presented in Indian Rupees which is company's presentation currency. All financial information presented in Crores has been rounded to two decimals except where otherwise indicated.

2.03 Critical Accounting Judgments, Assumptions and Key Sources of Estimation Uncertainty

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent assets and contingent liabilities at the date of financial statements, income and expenses during the period. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods which are affected.

Assumptions and Key Sources of Estimation Uncertainty

(i) Revenue

Revenue is recognised based on the extent of progress towards completion of the performance obligation. This requires the Company to estimate total contract revenue, and remaining cost to complete the contract at the end of each reporting date. The financial reporting of these contracts depends on estimates that are assessed continually during the term of these contracts, therefore recognized revenue and profit are subject to change as the contract progresses to completion.

(ii) Useful life of Property, Plant & Equipment (PPE)

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management which is reviewed at the end of each reporting period. The rate of depreciation adopted by the company has been tabulated in note 2.03

(iii) Expected Credit Loss (ECL)

Expected Credit Loss is prepared based on the historical data for the past two years with half yearly intervals and the probability of default is computed accordingly. The mechanism tries to identify the receivables which would probably result in becoming unrecoverable for the company and additional provision is created by company based on the ECL model.

Notes to Consolidated Ind AS Financial Statements for the year ended 31st March 2021**(iv) Employee Benefits - Defined benefit obligation (DBO)**

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

(v) Taxation

Determining of income tax liabilities using tax rates and tax laws that have been enacted or substantially enacted requires the Management to estimate the level of tax that will be payable based upon the Group's/ expert's interpretation of applicable tax laws, relevant judicial pronouncements and an estimation of the likely outcome of any open tax assessments including litigations or closures thereof.

Deferred income tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, unabsorbed depreciation and unused tax credits could be utilized.

(vi) Fair value measurement

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. The Management determines the appropriate valuation techniques and inputs for the fair value measurements. In estimating the fair value of an asset or a liability, the Company used market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engaged third party qualified valuers to perform the valuations in order to determine the fair values based on the appropriate valuation techniques and inputs to fair value measurements. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 39.

(vii) Provision for contractual obligation

Assessments undertaken in recognising provisions for contractual obligation have been made as per the best judgement of the management based on the current available information.

2.04 Property, Plant and Equipment

Land and buildings, Property, Plant and Equipments held for use in the production or supply of goods or services, or for administrative purposes, are stated in the Balance Sheet at cost less accumulated depreciation and impairment losses, if any. Property, Plant and Equipment (PPE) in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss.

The cost of an asset comprises its purchase price or its construction cost (net of applicable tax credits), any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended by the Management and initial estimate of decommissioning, restoring and similar liabilities. Such cost includes the cost of replacing part of the plant and equipment and professional fees. Any trade discounts and rebates are deducted in arriving at the purchase price. Such properties are classified to the appropriate categories of PPE when completed and ready for intended use. Parts of an item of PPE having different useful lives and significant value and subsequent expenditure on Property, Plant and Equipment arising on account of capital improvement or other factors are accounted for as separate components. All other repair and maintenance costs are recognised in profit or loss as incurred. Own fabricated assets are capitalized at cost including an appropriate share of overheads.

Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Otherwise, such items are classified as inventories.

Depreciation on Property, Plant & Equipment

Depreciation of these PPE commences when the assets are ready for their intended use. Depreciation is provided on the cost of PPE (other than leasehold land) less their residual values, using the straight line method over the useful life of PPE as stated in the Schedule II to the Companies Act, 2013 or based on technical assessment by the Company. The Company has used the following rates to provide depreciation on its property, plant and equipment.



Notes to Consolidated Ind AS Financial Statements for the year ended 31st March 2021

Particulars	Rate of depreciation
Land	0.00%
Buildings	3.00%
Plant & Machinery	4.75%
Office Equipment	6.33%
Furniture and Fixtures	6.33%
Computer	16.21%
Light Motor Vehicle	9.50%
Heavy Vehicle	11.31%

The estimated useful lives, residual values and depreciation method are reviewed on an annual basis and if necessary, changes in estimates are accounted for prospectively.

Depreciation on additions/deletions to PPE during the year is provided for on a pro-rata basis with reference to the date of additions/deletions except low value items not exceeding Rs.5,000/- which are fully depreciated at the time of addition.

Depreciation on subsequent expenditure on PPE arising on account of capital improvement or other factors is provided for prospectively over the remaining useful life.

Depreciation on refurbished/revamped PPE which are capitalized separately is provided for over the reassessed useful life.

De-Recognition:

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the net sales proceeds and the carrying amount of the asset and is recognised as in the Statement of Profit and Loss.

Assets not ready for the intended use on the date of the Balance Sheet are disclosed as Capital Work-in-Progress.

2.05 Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. The costs comprises of all cost, including financing costs till commencement of commercial production, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible asset. Amortisation is recognised on a straight line basis over their estimated useful lives from the date of capitalisation. The estimated useful life is reviewed at the end of each reporting period and the effect of any changes in estimate being accounted for prospectively.

Computer software are amortized on a straight line basis over a period of 3 years.

De-recognition

Intangible assets is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset, and recognised in the Statement of Profit and Loss when the asset is derecognised.

2.06 Impairment of tangible and intangible assets

The Company reviews the carrying amount of its tangible and intangible assets and Property, Plant and Equipment (including Capital Works-in -Progress) of a "Cash Generating Unit" (CGU) at the end of each reporting period to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Notes to Consolidated Ind AS Financial Statements for the year ended 31st March 2021

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount and impairment loss is recognised in the Statement of Profit and Loss.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

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

An assessment is made at the end of each reporting period to see if there are any indications that impairment losses recognized earlier may no longer exist or may have come down. The impairment loss is reversed, if there has been a change in the estimates used to determine the asset's recoverable amount since the previous impairment loss was recognized. If it is so, the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. After a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life. Reversals of Impairment loss are recognized in the Statement of Profit and Loss.

2.07 Leases

The determination of whether an agreement is, or contains, a lease is based on the substance of the agreement at the date of inception.

Operating leases:

- (i) Leases where the lessor effectively retains substantially all the risks and rewards of ownership of the related assets are classified as operating leases.
- (ii) Lease rentals on assets under operating lease are charged to the Statement of Profit and Loss on a straight line basis over the term of the relevant lease.

2.08 Financial instruments

Financial assets and financial liabilities are recognised when Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

2.09 Financial assets

Financial assets comprises of investments , trade receivables, cash and cash equivalents, term loans and advances and other financial assets.

(i) Cash and cash equivalents

Cash and cash equivalents comprise of cash at bank and cash in hand. The Company considers all highly liquid investments with an original maturity of three months or less from date of purchase, to be cash equivalents.

(ii) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost using the effective interest method if these financial assets are held within a business whose objective is to hold these assets 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.

(iii) Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the



Notes to Consolidated Ind AS Financial Statements for the year ended 31st March 2021

financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of equity investments not held for trading.

(iv) Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition.

(v) Impairment of financial assets

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

(vi) Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Statement of Profit and Loss.

2.10 Financial liabilities

(i) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- (a) the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- (b) the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

(ii) Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method

(iii) Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

2.11 Inventories

Inventories are stated at lower of cost and net realisable value.

Cost of construction / raw materials comprises cost of purchases and includes taxes and duties and is net of eligible credits under CENVAT/ VAT schemes/ Input Tax Credit (ITC). It also includes all other related costs incurred in bringing the inventories to their present location and condition.

Stores and spares which do not meet the definition of property, plant and equipment are accounted as inventories.

Cost is determined on first in first out basis. Cost of surplus/ obsolete/ slow moving inventories are adequately provided for.

Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Notes to Consolidated Ind AS Financial Statements for the year ended 31st March 2021

2.12 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed in the Financial Statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote.

Contingent assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

2.13 Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

2.14 Revenue recognition

(i) Construction Contracts

Revenue is measured based on the consideration specified in a contract with a customer. Company recognises revenue when or as it transfers control over a good or service to a customer.

Allocation of transaction price to performance obligations - A contract's transaction price is allocated to each distinct performance obligation and recognised as revenue, when, or as, the performance obligation is satisfied. To determine the proper revenue recognition method, we evaluate whether two or more contracts should be combined and accounted for as one single contract and whether the combined or single contract should be accounted for as more than one performance obligation. This evaluation requires significant judgment; some of our contracts have a single performance obligation as the promise to transfer the individual goods or services is not separately identifiable from other promises in the contracts and, therefore, not distinct. For contracts with multiple performance obligations, we allocate the contract's transaction price to each performance obligation using our best estimate of the standalone selling price of each distinct good or service in the contract.

Payment terms - Progress billings are generally issued upon completion of certain phases of the work as stipulated in the contract. Payment terms may either be fixed, lump-sum or driven by time and materials (i.e., daily or hourly rates, plus materials). Because typically the customer retains a small portion of the contract price until completion of the contract, our contracts generally result in revenue recognised in excess of billings which we present as contract assets on the statement of financial position. Amounts billed and due from our customers are classified as receivables on the statement of financial position. The portion of the payments retained by the customer until final contract settlement is not considered a significant financing component because the intent is to protect the customer. For some contracts, we may be entitled to receive an advance payment. We recognise a liability for these advance payments in excess of revenue recognised and present it as contract liabilities on the statement of financial position. The advance payment typically is not considered a significant financing component because it is used to meet working capital demands that can be higher in the early stages of a contract and to protect us from the other party failing to adequately complete some or all of its obligations under the contract.

Warranty - Certain contracts include an assurance-type warranty clause, typically between 18 to 36 months, to guarantee that the products comply with agreed specifications.

Revenue recognised over time - Our performance obligations are satisfied over time as work progresses or at a point in time when performance obligations are fulfilled and control transfers to the customer. Typically, revenue is recognised over time using an input measure (e.g., costs incurred to date relative to total estimated costs at completion) to measure progress.

Cost-to-cost method - For our long-term contracts, because of control transferring over time, revenue is recognised based on the extent of progress towards completion of the performance obligation. Upon adoption of the new standard we generally use the cost-to-cost measure of progress for our contracts because it best depicts the transfer of control to the customer which occurs as we incur costs on our contracts. Under the cost-to-cost measure of progress, the extent of progress towards



Notes to Consolidated Ind AS Financial Statements for the year ended 31st March 2021

completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of the performance obligation. Revenues, including estimated fees or profits, are recorded proportionally as costs are incurred. Any expected losses on construction-type contracts in progress are charged to earnings, in total, in the period the losses are identified. Previously, such contracts were accounted for under IAS 11 on Construction Contracts. Accordingly, revenue on ongoing contracts was measured on the basis of costs incurred and of margin recognised at the percentage of completion. Margin was recognised only when the visibility of the riskiest stages of the contract was deemed sufficient and when estimates of costs and revenue was considered to be reliable. The percentage of completion was calculated according to the nature and the specific risk of each contract in order to reflect the effective completion of the project. This percentage of completion could be based on technical milestones defined for the main deliverables under the contracts or based on the ratio between costs incurred to date and estimated total costs at completion. As soon as the estimate of the final outcome of a contract indicated a loss, a provision was recorded for the entire loss. The gross margin of a long-term contract at completion was based on an analysis of total costs and income at completion, which are reviewed periodically and regularly throughout the life of the contract. A construction contract was considered completed when the last technical milestone is achieved, which occurs upon contractual transfer of ownership of the asset or temporary delivery, even if conditional.

Right to invoice practical expedient - The right-to-invoice practical expedient can be applied to a performance obligation satisfied over time if we have a right to invoice the customer for an amount that corresponds directly with the value transferred to the customer for our performance completed to date. When this practical expedient is used, we do not estimate variable consideration at the inception of the contract to determine the transaction price or for disclosure purposes. We have contracts which have payment terms dictated by daily or hourly rates where some contracts may have mixed pricing terms which include a fixed fee portion. For contracts in which we charge the customer a fixed rate based on the time or materials spent during the project that correspond to the value transferred to the customer, we recognise revenue in the amount to which we have the right to invoice.

Contract modifications - Contracts are often modified to account for changes in contract specifications and requirements. We consider contract modifications to exist when the modification either creates new, or changes the existing, enforceable rights and obligations. Most of our contract modifications are for goods or services that are not distinct from the existing contract due to the significant integration service provided in the context of the contract and are accounted for as if they were part of that existing contract. The effect of a contract modification on the transaction price and our measure of progress for the performance obligation to which it relates is recognised as an adjustment to revenue (either as an increase in or a reduction of revenue) on a cumulative catch-up basis.

(ii) Other Operational Income

Other Operational Income Includes Revenue for Technical services provided and accounted on accrual basis.

(iii) Dividend income:

Dividend income from investments is recognised when the shareholder's right to receive payment is established by the reporting date.

(iv) Interest Income

Interest income from financial assets is recognised at the effective interest rate method applicable on initial recognition.

(v) Other Income

- (a) Claims were accounted as income in the year of receipt of arbitration award or acceptance by client or evidence of acceptance.
- (b) Other items of income are accounted as and when the right to receive arises.

2.15 Borrowing Costs

Borrowing costs specifically identified to the acquisition or construction of qualifying assets is capitalized as part of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to the Statement of Profit and Loss.

2.16 Employee Benefits

Employee benefits include salaries, wages, provident fund, employee state insurance and gratuity.

Notes to Consolidated Ind AS Financial Statements for the year ended 31st March 2021

(i) Defined contribution plans

Employer's contribution to the recognized provident fund which is a defined contribution scheme and ESI Contribution as per law are charged to the Profit and Loss account.

(ii) Defined benefit plans

The Gratuity benefit is funded through a defined benefit plan. For this purpose, the Company has obtained a qualified insurance policy from Life Insurance Corporation of India.

2.17 Voluntary Retirement Scheme

Expenditure on Voluntary Retirement Scheme (VRS) is charged to the Statement of Profit and Loss when incurred.

2.18 Foreign Exchange Transactions

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Indian Rupees, which is the Company's functional currency and the Group's presentation currency

Transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are translated using mean exchange rate prevailing on the last day of the reporting period. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise. In case of fixed assets they are adjusted to the carrying cost of such assets.

Gain/loss on foreign exchange translation at the year end is credited/debited to the Foreign Currency Translation Reserve

2.19 General Administrative Expenses

General administrative expenses which are directly attributable are allocated to activities and the balance is charged to Statement of Profit and Loss.

2.20 Income Taxes

Income tax expense represents the sum of the current tax and deferred tax.

(i) Current tax

Provision for current tax is made based on taxable income computed for the year under the Income Tax Act, 1961. Provision for current tax for the foreign subsidiaries are as in accordance with the applicable local laws

(ii) 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 are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

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 measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.



Notes to Consolidated Ind AS Financial Statements for the year ended 31st March 2021

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

(iii) Current and deferred tax expense for the year

Current and deferred tax expense is recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.21 Proposed Dividend

The Company has disclosed dividend, proposed by board of directors after the balance sheet date, in the notes, as provision cannot be created for dividend proposed / declared after the balance sheet date, unless a statute requires otherwise

2.22 Extraordinary and exceptional Items

Income or expenses that arise from events or transactions that are clearly distinct from the ordinary activities of the Company are classified as extraordinary items. Specific disclosure of such events/transactions is made in the financial statements. Similarly, any external event beyond the control of the Company, significantly impacting income or expense, is also treated as extraordinary item and disclosed as such.

On certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company, is such that its disclosure improves an understanding of the performance of the Company. Such income or expense is classified as an exceptional item and accordingly disclosed in the notes to accounts.

2.23 Earnings per share

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

2.24 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit after tax 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 are segregated into operating, investing and financing activities.

2.25 Segment reporting

Operating segments are identified and reported taking into account the different risks and returns, the organization structure and the internal reporting systems.

As per our report of even date

CA S N DURAISWAMY

Membership No. :026599

P. ArulSundaram

Chairman &

Managing Director

DIN: 00125403

A. Nithya

Whole Time Director &

Chief Financial Officer

DIN 00125357

Date: 01.06.2021

Place: Erode

Pradeep Kumar Nath

Company Secretary

M. No. 401148

Notes to Consolidated Ind AS Financial Statements for the year ended 31st March 2021**Note 3 : Property, plant & equipment**

(₹ In Crores)

Particulars	Land	Plant and Machinery	Office Equipment	Furniture and Fixtures	Computer	Buildings	Motor Vehicle	Heavy Vehicle	Total
Gross carrying amount									
As at 31 March 2019	3.31	56.64	0.98	0.30	0.99	0.83	2.63	24.37	90.07
Additions	0.00	1.55	0.07	0.01	0.12	0.00	0.69	0.67	3.11
Disposals	0.00	0.06	0.00	0.00	0.07	0.00	0.03	0.31	0.47
As at 31 March 2020	3.31	58.13	1.05	0.31	1.05	0.83	3.28	24.73	92.70
Additions	0.00	1.72	0.18	0.06	0.18	0.01	0.30	4.93	7.38
Disposals	0.00	2.70	0.02	0.00	(0.06)	0.00	0.22	2.12	4.99
As at 31 March 2021	3.31	57.15	1.22	0.37	1.29	0.84	3.36	27.54	95.09
Depreciation and impairment									
As at 31 March 2019	0.00	19.51	0.67	0.13	0.90	0.25	1.23	15.56	38.25
Depreciation charge for the year	0.00	4.67	0.11	0.02	0.07	0.03	0.42	1.74	7.13
Disposals/Adjustments	0.00	0.02	0.00	0.00	0.00	0.00	0.02	0.31	0.35
As at 31 March 2020	0.00	24.16	0.78	0.15	0.98	0.28	1.63	16.99	45.02
Depreciation charge for the year	0.00	3.93	0.11	0.03	0.10	0.02	0.37	1.54	6.09
Disposals/Adjustments	0.00	1.26	0.02	0.00	0.00	0.00	0.18	1.56	3.02
As at 31 March 2021	0.00	26.83	0.88	0.18	1.07	0.31	1.81	16.96	48.09
Net Carrying amount									
At 31 March 2021	3.31	30.32	0.34	0.19	0.22	0.54	1.55	10.58	47.00
At 31 March 2020	3.31	33.98	0.26	0.16	0.07	0.55	1.66	7.74	47.68

Note 4 : Capital Work in Progress

(₹ In Crores)

Particulars	Capital Work in Progress	Total
Gross carrying amount		
As at 31 March 2019	3.90	3.90
Purchases	0.71	0.71
Transfer	0.70	0.70
As at 31 March 2020	3.91	3.91
Purchases	0.11	0.11
Transfer	(0.07)	(0.07)
As at 31 March 2021	4.08	4.08
Amortisation and impairment		
As at 31 March 2019	0.00	0.00
Amortisation	0.00	0.00
Adjustment	0.00	0.00
As at 31 March 2020	0.00	0.00
Amortisation	0.00	0.00
Adjustment	0.00	0.00
As at 31 March 2021	0.00	0.00
Net Carrying Amount		
At 31 March 2021	4.08	4.08
At 31 March 2020	3.91	3.91



Notes to Consolidated Ind AS Financial Statements for the year ended 31st March 2021

Note 5: Intangible Assets

(₹ In Crores)					
Particulars	Goodwill	ERP Software	Website Development	Intangible asset under Development	Total
Gross carrying amount					
As at 31 March 2019	0.00	0.38	0.00	2.36	2.73
Purchases	0.00	0.24	0.00	0.00	0.24
Transfer	0.00	0.09	0.00	2.36	2.44
As at 31 March 2020	0.00	0.53	0.00	0.00	0.53
Purchases	0.00	0.01	0.00	0.00	0.01
Transfer	0.00	0.23	0.00	0.00	0.23
As at 31 March 2021	0.00	0.30	0.00	0.00	0.30
Amortisation and impairment					
As at 31 March 2019	0.00	0.12	0.00	0.00	0.12
Amortisation	0.00	0.00	0.00	0.00	0.00
Adjustment	0.00	(0.15)	0.00	0.00	(0.15)
As at 31 March 2020	0.00	0.27	0.00	0.00	0.27
Amortisation	0.00	0.01	0.00	0.00	0.01
Adjustment	0.00	0.00	0.00	0.00	0.00
As at 31 March 2021	0.00	0.29	0.00	0.00	0.29
Net Carrying Amount					
At 31 March 2021	0.00	0.01	0.00	0.00	0.01
At 31 March 2020	0.00	0.26	0.00	0.00	0.26

Note 6 : Investment

(₹ In Crores)		
Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Investment in Equity Instruments (Non Trade Investments)	0.07	0.09
Total Investments	0.07	0.09

Note 7 : Long term Loans & Advances

(₹ In Crores)		
Particulars	As at 31st March 2021	As at 31st March 2020
Advance to Suppliers	2.64	2.45
Other Long term loans and advances	6.59	0.00
Total	9.22	2.45

Note 8 : Deferred Tax

(₹ In Crores)		
Particulars	As at 31st March 2021	As at 31st March 2020
Deferred Tax Asset/Liability	0.01	0.88
Total	0.01	0.88

Note 9 : Other Non-Current Assets

(₹ In Crores)		
Particulars	As at 31st March 2021	As at 31st March 2020
Prepaid Expense	4.48	2.91
Total	4.48	2.91

Notes to Consolidated Ind AS Financial Statements for the year ended 31st March 2021**Note 10 : Inventories**

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
Lower of cost or net realisable value	-	-
Raw materials- Construction Materials	11.32	24.18
Stock in Trade (Stock of Shares & Securities held for Trading)	0.13	0.13
Total	11.45	24.31

Note 11 : Trade receivables

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
Secured, considered good	-	-
Unsecured considered good	156.03	164.37
Doubtful	-	-
Total Trade receivables	156.03	164.37
Provision for doubtful receivables	-	-
Total Trade receivables	156.03	164.37

Note: 11.1

There are arbitration proceedings going on in respect of the following departments - Rites, Sipcot and Ntecl towards which sums Rs.2.13, Rs.0.75, Rs.27.30 Crores respectively are shown as receivables. The company has filed the necessary papers with the arbitrators and the above receivables are considered good for recovery. Third Party balances are subject to external confirmations.

Note 12 : Cash and cash equivalent

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
- On current accounts	16.06	5.16
Cheques/ drafts on hand	0.00	0.00
Cash on hand	0.78	0.90
Earmarked Balances	80.28	39.44
Other Bank Balances	10.16	6.47
Total	107.28	51.97

Note 13 : Short Term Loans and Advances

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
Unsecured, considered good:		
Advance to employees	0.35	0.25
Balances with statutory / government authorities	7.84	18.77
Advance to sub-contractors	10.27	3.16
Balance with Subsidiaries	0.19	(0.00)
Non-Trade Receivable	13.52	13.52
Others	0.83	1.11
Total	33.00	36.81

Note 13.1:

Balances with statutory / government authorities consists of receivable amounts from VAT department totalling to sum Rs. 1.48 crores which has been arrived at with the existing information. The company is awaiting the final order from the said department.



Notes to Consolidated Ind AS Financial Statements for the year ended 31st March 2021

Note 14 : Other Financial Assets

(₹ In Crores)

Particulars	As at	
	31st March 2021	31st March 2020
Contract Asset	147.76	142.97
Others	0.02	0.00
Total	147.78	142.97

Note: Classified as non financial asset as the contractual rights to consideration is dependent on completion of contractual milestone.

Note 15 : Other Current Assets

(₹ In Crores)

Particulars	As at	
	31st March 2021	31st March 2020
Retention by customers	89.82	104.40
Advance paid towards Equity Shares subscription	5.71	5.71
Advance Tax/ Tds deducted (receivables)	0.03	0.03
Other Recivable-Current	6.00	0.00
Total	101.57	110.15

Note 16 : Share Capital

(₹ In Crores)

Particulars	As at	
	31st March 2021	31st March 2020
Authorised Share Capital		
34,000,000 (March 31, 2021: 34,000,000) equity shares of Rs.10/-	34,00,00,000	34,00,00,000
Share Capital		
Issued, Subscribed and Paid up equity capital		
23,650,584 (March 31, 2021: 23,650,584) equity shares of Rs.10/- each fully paid up	23,65,05,840	22,60,05,840

Note 16.1 : Reconciliation of the number of shares outstanding

(₹ In Crores)

Particulars	As at 31 March 2021		As at 31 March 2020	
	No. of Shares	Amount	No. of Shares	Amount
Reconciliation of No. of shares				
Outstanding at the beginning of the year	2,26,00,584	22,60,05,840	2,26,00,584	22,60,05,840
Add: Shares issued during the year	10,50,000	1,05,00,000	-	-
Outstanding at the end of the year	2,36,50,584	23,65,05,840	2,26,00,584	22,60,05,840

Note 16.2 : Terms / rights attached to equity shares

The company has only one class of equity share having a par value of Rs.10 per share. Each shareholder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing general meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of preferential amounts. The distribution will be in proportion to the number of equity shares held by shareholders.

Note 16.3 : Details of shares held by subsidiaries of ultimate holding company / holding and / or their subsidiaries / associates

(₹ In Crores)

Name of equity share holders	As at 31 March 2021		As at 31 March 2020	
	No. of shares	% Holding	No. of shares	% Holding
RPP Infra Projects (Lanka) Limited	116143.00	100%	116143.00	100%
RPP Infra Over Seas PLC	4980.00	100%	4980.00	100%
RPP Energy Systems Private Limited	0.00	0%	50000.00	100%
Sanskar Dealcom Private Limited	209930.00	100%	209930.00	100%
Greatful Mercantile Private Limited	211500.00	100%	211500.00	100%
Lunkar Finance Private Limited	421430.00	100%	421430.00	100%
RPP ANNAI JV Private Limited	5100.00	51%	0.00	0%

Notes to Consolidated Ind AS Financial Statements for the year ended 31st March 2021

Note 16.4 : Details of shareholders holding more than 5% shares in the Company are as under:-

(₹ In Crores)

Name of equity share holders Particulars	As at 31 March 2021		As at 31 March 2020	
	No. of shares	% Holding	No. of shares	% Holding
Mr P. Arulsundaram	72,68,443	30.73%	65,43,443	28.95%
Mrs A. Nithya	57,49,898	24.31%	54,24,898	24.00%
Total	1,30,18,341	55.04%	1,19,68,341	50.60%

Note 16.5 : Proposed dividends on Equity shares:

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
The board proposed dividend on equity shares after the balance sheet date Proposed dividend on equity shares for the year ended 31st March, 2020 : NIL (PY : NIL per share)	0.00	0.00

Note 17 : Other Equity

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
Securities premium account	64.26	55.86
Foreign Currency Translation Reserve	0.00	0.00
Revaluation reserve	2.38	2.38
Retained Earnings	189.54	180.79
Retained Earnings - Non Controlling Interests	(0.01)	0.00
General Reserve	0.00	0.05
Statutory Reserve	0.00	0.04
Total	256.17	239.12

Refer "Statement of Changes in Equity" for additions/deletions in each of these items

- Securities Premium represents premium received on equity shares issued, which can be utilised only in accordance with the provisions of the Companies Act 2013 for specified purposes.
- Revaluation Reserve arose on 31.03.2014 due to Revaluation of Value of Lands Situated at Guindy and Erode for Rs 6887830 and Rs 16923780 respectively.

Share Warrant

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
Share Warrant	6.64	0.00
	6.64	0.00

Company has obtained approval of the shareholders for 40,00,000@90 allotment of warrant at the General Meeting held on 12th June 2020. Fund Received from Promoter being 25% of consideration in accordance with the SEBI (ICDR) Regulation, 2018. Companies was obtained "In-Principle Approval" under the Regulation 28(1) of SEBI (LODR) Regulation, 2015 granted by the BSE Limited vide its letter reference no. DCS/PREF/BA/PRE/697/2020-21 dated 13th July 2020 and National Stock Exchange of India Limited vide its letter reference no. NSE/LIST/24057 dated 8th July 2020. Accordingly, dated 14.07.2020 Share Allotment Committee approved allotment of 40,00,000 warrants convertible into Equity Shares of Rs. 10 each to the promoters on preferential basis at an issue price of the Rs. 90 per warrants on receipt of the amount of Rs 9 Crores (Rupees Nine Crores Only) being 25% of consideration in accordance with the SEBI (ICDR) Regulation, 2018.

Further dated 04.03.2021 Share Allotment Committee of the Board of Directors of the Company held on 4th March 2021 was allotted 10,50,000 [Ten Lakhs Fifty Thousand] Fully Paid-up Equity Shares of = 10/- each ["said shares"] on conversion of 10,50,000 Warrants on receipt of the full consideration towards these warrants and exercise of option of conversion. The allotted shares ranks pari passu with the existing Equity Shares of the Company in all respects including dividend.



Notes to Consolidated Ind AS Financial Statements for the year ended 31st March 2021

Note 18

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
Secured		
Term Loans		
From Banks (Secured)	27.86	13.42
From NBFC (Secured)	6.78	9.73
Unsecured		
Term Loans		
From Banks (Unsecured)	0.00	0.00
From NBFC (Unsecured)	35.01	23.92
Total	69.65	47.06
Less : Current Maturities of Long Term Debt	11.70	12.61
Total	57.96	34.45

Nature of Security

(₹ In Crores)

Particulars	Loan outstanding	Security	Repayment terms
From Banks			
Secured Loan with Various Banks and Interest @ 9.33%	16.16	Promoters Share	Every Month
From NBFC's			
Term Loan with Non Banking Financial institutions and Interest @ 9.66%	6.78	Promoters Shares	Every Month
Unsecured Loan with Non Banking Financial institutions and Interest @ 0% for Directors and Subsidiary, 11% for Others	35.01	Promoters Shares	Renewal Every Year

Note 19 : Net Debt Reconciliation

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
Cash and cash equivalents	107.28	51.97
Liquid investments		
Non Current borrowings including interest	57.96	34.45
Current Borrowings	54.61	62.55
Net (debt)/ Cash & Cash Equivalents	5.28	45.03

(₹ In Crores)

Particulars	Other Assets		Liabilities from financing activities		Total
	Cash and bank overdraft	Liquid Investments	Non-current borrowings	Current borrowings	
(Net debt)/ Cash & Cash Equivalents as at 31 March 2018	92.28	0.00	11.81	62.78	(17.68)
Cash Flows	(68.13)	0.00	46.89	(4.66)	110.36
Interest expense	0.00	0.00	0.00	0.00	0.00
Interest paid	24.50	0.00	0.00	0.00	(24.50)
(Net debt)/ Cash & Cash Equivalents as at 31 March 2019	48.65	0.00	58.70	58.12	68.17
Cash Flows	(19.37)	0.00	(24.25)	4.43	(0.45)
Interest expense	0.00	0.00	0.00	0.00	0.00
Interest paid	22.68	0.00	0.00	0.00	(22.68)
(Net debt)/ Cash & Cash Equivalents as at 31 March 2020	51.96	0.00	34.45	62.55	45.03
Cash Flows	74.27	0.00	23.50	(7.93)	(58.70)
Interest expense	0.00	0.00	0.00	0.00	0.00
Interest paid	(18.95)	0.00	0.00	0.00	18.95
(Net debt)/ Cash & Cash Equivalents as at 31 March 2021	107.27	0.00	57.95	54.62	5.28

Notes to Consolidated Ind AS Financial Statements for the year ended 31st March 2021**Note 20 : Other financial liabilities**

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
Non-Current		
Security Deposits from Sub Contractor	0.00	0.00
Balance with Subsidiaries	6.70	0.00
Total	6.70	0.00

Note 21 : Long term Provisions

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
Provision for employee benefits	0.00	0.00
Gratuity	0.30	0.20
Total	0.30	0.20

Note 22 : Borrowings

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
Secured		
Loans repayable on Demand from banks	42.91	49.93
Total	42.91	49.93

(₹ In Crores)

Particulars	Loan outstanding	Security	Repayment terms
From Banks			
Working Capital with Various Banks and Interest @ 10.96%	42.91	Personal Security of Vacant land, Building, Factory building, Vacant House, Residential Building @ various places Land & building, vacant land @ various places Immoveable Land and Building property @ Giundy Taluk Personal Guarantee Value of Property	Every Month
From NBFC's			
Working Capital with Non Banking Financial institutions and Interest @ 10.96%	0.00	Personal Guarantee	Renewal every year

Note 22.1 : Fund Based Limit Enjoyed by the Company

(₹ In Crores)

Name of Lending institutions	Type of Loan	Sanctioned Limit	Utilised	
			As at 31st March 2021	As at 31st March 2020
Indian Overseas Bank, Surampatti Branch, Erode	Cash Credit	35.00	29.36	30.61
Bank of India - Coimbatore	Cash Credit	8.00	7.97	7.93
Industrial Development Bank of India (IDBI), Chennai	Cash Credit	9.00	5.58	8.90
Exim Bank , Chennai	Cash Credit	2.50	0.00	2.50
Total		54.50	42.91	49.93

Note 23 : Trade Payable

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
Dues to Micro Enterprises and Small Enterprises (Ref. Note 41)	0.00	0.63
Due to others	130.65	114.72
Total	130.65	115.35



Notes to Consolidated Ind AS Financial Statements for the year ended 31st March 2021

Note 24 : Other financial liabilities - Current

Particulars	(₹ In Crores)	
	As at 31st March 2021	As at 31st March 2020
Current maturities of Long Term Secured Debt	11.70	12.61
Current maturities of Long Term Unsecured Debt	0.00	0.00
Balance with Subsidiaries	0.00	0.00
Expenses payable	5.05	2.25
Statutory dues payable	(0.96)	0.00
Mobilisation Advances / Other Projects Payables	34.69	44.05
Due to directors	0.22	1.53
Unpaid dividend	0.03	0.03
Retention money - others	36.31	41.04
Total	87.03	101.52

Note: TDS on expenses is made on and when incurred. TDS is not reckoned for the sum stated as provision for expenses. Mobilisation advance received by the Company from certain departments and the proportionate amount which has to be classified as GST liability has been shown as mobilisation advance liability to the extent of Rs.1.99 crore.

Note 25 : Other Current Liabilities

Particulars	(₹ In Crores)	
	As at 31st March 2021	As at 31st March 2020
Mobilisation Advances / Other Projects Payables	0.00	0.00
Advances from customers	8.67	7.04
Statutory dues payable	3.74	9.69
Audit Fees Payable	0.00	0.00
Staff Salary Payable	0.00	0.00
Other Liabilities	0.78	0.31
Other Payables	0.00	0.17
Total	13.19	17.21

Note 26 : Short term Provisions

Particulars	(₹ In Crores)	
	As at 31st March 2021	As at 31st March 2020
Provision for employee benefits	0.00	0.00
Gratuity	0.05	0.05
Other Provisions	0.00	0.00
Provision for Warranty	2.42	2.38
Provision for income tax	0.00	0.00
Total	2.47	2.43

Note 27 : Current Tax Liabilities

Particulars	(₹ In Crores)	
	As at 31st March 2021	As at 31st March 2020
Provision for Income Tax (Net of Advance income tax)	6.08	4.87
Total	6.08	4.87

Particulars	(₹ In Crores)	
	As at 31st March 2021	As at 31st March 2020
Provision for Income Tax (Net of Advance income taxX)	11.46	0.00
Total	11.46	0.00

Notes to Consolidated Ind AS Financial Statements for the year ended 31st March 2021**Note 28 : Revenue from operations:**

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
Contract Revenue	513.11	600.02
Sale of Materials	(0.00)	0.00
Total	513.11	600.02

Note 29 : Other income

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
Hire charges Received	3.15	2.99
Discount Received	0.05	0.09
Interest Income	2.37	1.60
Scrap Sales	0.02	0.17
Miscellaneous Income	0.48	1.57
Consulting Services & Service Charges	5.18	0.70
Profit on Sale of Assets	0.00	0.00
Forex Gain (Net)	(0.04)	0.83
Total	11.22	7.95

Note: The amount of interest income on FD's with banks has been estimated on the basis of the rate of interest applicable, the amount of deposit and the period for which the deposit has run.

Note 30 : Cost of Raw materials and Components Consumed

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
Inventory at the Beginning of the Period	23.76	20.24
Add: Purchases during the period	109.37	159.76
Less: Inventory at the end of the Period	10.91	24.18
Total	122.22	155.81

Note 31 : Direct Operating Cost

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
Works Contract Cost	257.58	283.36
Other Operating Cost	64.76	62.87
Total	322.34	346.22

Note: Joint Venture Agreement

The Company has an unincorporated JV with the Party Ramalingam Construction Company Pvt Ltd with whom a project was jointly bid and obtained. However, the execution was fully done by the company. Company has agreed to pay 2% of Turnover of this project as Royalty to the Partner and this amount has been charged off to the Statement of Profit & Loss.

Note 32 : Employee benefits expense

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
Salary Expenses	9.75	12.27
Company's Contribution to Employees' Provident Fund	0.20	0.19
Company's Contribution to Employees' State Insurance Corporation	0.02	0.03
Gratuity	0.04	0.08
Staff Welfare	0.93	0.84
Total	10.94	13.41



Notes to Consolidated Ind AS Financial Statements for the year ended 31st March 2021

Note 33 : Finance Cost

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
Interest expenses		
On Term Loans and Other Loans	6.10	9.56
On Working Capital Loans	6.06	6.94
Other Borrowing Costs		
Bank Charges and Bank Guarantee Commission	5.18	5.39
Processing Charges Paid	1.62	0.79
Total	18.95	22.68

Note 34 : Depreciation and Amortisation Expenses

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
Depreciation of tangible fixed assets	6.12	7.06
Amortisation of intangible fixed assets	0.00	0.10
Total	6.12	7.16

Note 35 : Other expense

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
Advertisement	0.01	0.01
Business Development Expenses	0.44	0.34
Brokerage	0.01	0.00
Donation	0.03	0.00
Consulting Fees Paid	0.29	0.37
Miscellaneous Expense	0.35	0.66
Corporate Social Responsibilities	0.47	0.57
Equipment Hire Charges	0.91	0.82
Insurance	0.83	0.54
Repairs & Maintenance - Machinery	2.84	11.15
Repairs & Maintenance - Office	0.33	0.22
Repairs & Maintenance - Others	7.37	5.38
Postage & Telegraph	0.05	0.04
Professional Charges	0.65	0.95
Books & Periodicals	0.00	0.00
Loss On Sale of Assets	0.16	0.01
Legal Fees Paid	0.04	0.38
Printing and Stationery	0.15	0.21
Rent & Electricity	0.95	0.97
-Statutory Audit	0.28	0.18
-Other services	0.66	0.19
Bad Debts	0.62	0.09
Deposit Write Off	1.11	0.00
Secretarial Expenses	0.05	0.10
Rates & Taxes	0.05	0.03
Loss On Sale of Investment	0.02	0.00
Changes in CWIP	0.94	0.00
Telephone Expenses	0.05	0.06
Travelling Expenses	0.44	1.22
On Statutory Dues	1.02	1.38

Notes to Consolidated Ind AS Financial Statements for the year ended 31st March 2021

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
Registration and Renewals	0.16	0.27
Royalty Paid	0.18	2.03
Security Service Charges	0.10	0.08
Forex Loss (Net)	0.00	0.51
Other Expenses	0.06	0.10
Warranty Provision (P&L)	0.00	0.15
Packing & Forwarding Charges	0.02	0.02
Total	21.64	29.02

Note 36 : Income Tax Expense

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
Current Tax	7.49	9.74
Taxes of earlier years	0.00	5.62
Deferred tax	(0.86)	0.14
Total	6.62	15.50

Note 37 : Income Tax Expense recognised in other Comprehensive Income

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:		
Remeasurement of defined benefit plans	0.09	(0.20)
Net change in fair values of investments in equity shares carried at fair value through OCI	0.00	0.01
Income tax relating to items that will not be reclassified to profit or loss	0.00	0.05
Other comprehensive income to be reclassified to profit or loss in subsequent periods:	0.00	0.00
Items that will be reclassified to profit or loss		
Exchange differences on translation of Financial Statement of Foreign Companies	7.00	(1.17)
Income tax relating to items that will be reclassified to profit or loss	0.00	0.00
Total	7.09	(1.31)

Note no: 38

The Consolidated Financial Statements incorporate the financial statements of the Company and its subsidiaries. Subsidiaries are consolidated from the date of their acquisition, being the date on which the Company obtains control and continue to be consolidated until the date that such control ceases. The Consolidated Financial Statements are prepared using uniform accounting policies consistently for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's standalone financial statements, except otherwise stated. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

Additional information as required under Schedule III to the Companies Act 2013, of enterprises consolidated as subsidiaries

(₹ In Crores)

Name of the entity	Net assets, i.e total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (in Rs. Crores)	As % of consolidated profit or loss	Amount (in Rs. Crores)	As % of consolidated profit or loss	Amount (in Rs. Crores)	As % of consolidated profit or loss	Amount (in Rs. Crores)
Parent								
RPP Infra Projects Limited	91%	267.81	100%	15.53	100%	0.09	184%	15.44



Notes to Consolidated Ind AS Financial Statements for the year ended 31st March 2021

(₹ In Crores)

Name of the entity	Net assets, i.e total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (in Rs. Crores)	As % of consolidated profit or loss	Amount (in Rs. Crores)	As % of consolidated profit or loss	Amount (in Rs. Crores)	As % of consolidated profit or loss	Amount (in Rs. Crores)
Subsidiaries								
Indian								
Greatful Mercantile Pvt. Ltd.	0%	0.18	0%	(0.00)	0%	0.00	0%	(0.00)
Sanskar Dealcom Pvt Ltd.	0%	0.16	0%	(0.00)	0%	0.00	0%	(0.00)
Lunkar Finance Private limited	6%	16.33	0%	(0.00)	0%	0.00	0%	(0.00)
RPP ANNAI JV Private Limited	0%	-0.01	0%	(0.02)	0%	0.00	0%	(0.02)
Foreign								
RPP Infra Overseas PLC	3%	8.03	0%	(0.01)	0%	6.98	(83%)	(6.99)
RPP Infra Projects (Lanka) Ltd.	0%	1.08	0%	0.00	0%	0.02	0%	(0.02)
Total	100%	293.58	100%	15.50	100%	7.09	100%	8.41

Note 39 : The income tax expense for the year can be reconciled to the accounting profit as follows:

(₹ In Crores)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Profit before tax	22.12	33.65
Income tax expense calculated	5.57	8.47
Less:Exemption/Deductions		
Others		
Add:-Effect of expenses that are not deductible in determining taxable profit	0.00	0.00
Expenses not allowed in income tax	1.27	0.52
Tax Effects due to difference in treatment of expenses between acts	(0.86)	0.14
Others	0.65	0.75
Total	6.62	9.88
Adjustments recognised in the current year in relation to the current tax of prior years	0.00	5.62
Income tax expense recognised In Statement of Profit & Loss (reating to continuing operations)	6.62	15.50

Income tax recognised in other comprehensive income

(₹ In Crores)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Deferred tax	0.00	0.00
Arising on income and expenses recognised in other comprehensive income	0.00	0.00
Net fair value gain on investments in equity shares at FVTOCI	0.00	0.01
Remeasurement of defined benefit obligation	0.09	(0.20)
Total income tax recognised in other comprehensive income	0.09	(0.19)
Bifurcation of the income tax recognised in other comprehensive income into:	0.00	0.05
Exchange differences on translation of Financial Statement of Foreign Companies	7.00	(1.17)
Items that will not be reclassified to profit or loss	0.09	(0.14)
Items that may be reclassified to profit or loss	7.00	(1.17)

Notes to Consolidated Ind AS Financial Statements for the year ended 31st March 2021**Note 40 : Earnings per share (EPS)**

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

Particulars	(₹ In Crores)	
	For the year ended 31st March 2021	For the year ended 31st March 2020
Profit attributable to equity holders	15.50	18.16
Weighted average number of Equity shares for EPS	2,36,50,584	2,26,00,584
EPS (Rs. per share)		
Basic	6.55	8.04
Diluted	6.55	8.04
Nominal Value of Shares (Rs. per share)	10.00	10.00

Note 41 : Gratuity & other post employment benefit plans**Defined Contribution Plan**

The Company has defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with Insurance Company in the form of a qualifying Insurance Policy.

Each year, the Board of Trustees reviews the level of funding in the gratuity plan. Such a review includes the asset-liability matching strategy and investment risk management policy. The Board of Trustees decides its contribution based on the results of this annual review. Generally, it aims to have a portfolio mix of equity instruments and debt instruments. Generally equity instruments should not exceed 15% of total portfolio. The Board of Trustees aim to keep annual contributions relatively stable at a level such that no plan deficits (based on valuation performed) will arise. The plan assets include significant investment in Debt Fund, hence, the Company is not exposed to any market risk.

The following table summarises the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet.

Changes in Present Value of Obligations

Particulars	(₹ In Crores)	
	For the year ended 31st March 2021	For the year ended 31st March 2020
Present Value of Obligation as at the beginning of the year	0.46	0.37
Interest Cost	0.03	0.03
Current Service Cost	0.11	0.07
Benefits paid	(0.06)	(0.04)
Past Service Cost	0.00	0.00
Actual(Gain)/ Loss on Obligations*	0.03	0.03
Present Value of Obligations at the end of the year	0.57	0.46
Fair Value of Plan Assets at the end of the year	0.23	0.21

Changes in Fair Value of Planed Assets

Particulars	(₹ In Crores)	
	For the year ended 31st March 2021	For the year ended 31st March 2020
Fair Value of Plan Assets at the beginning of the year	0.21	0.19
Investment Income	0.01	0.02
Contributions	0.00	0.00
Benefits Paid	(0.06)	(0.04)
Employers Contribution	0.07	0.01
Return on plan assets , excluding amount recognised in net interest expense	0.00	0.00
Actual(Gain)/ Loss on Plan Asset*	0.00	0.03
Fair Value of Plan Assets at the end of the year	0.23	0.21



Notes to Consolidated Ind AS Financial Statements for the year ended 31st March 2021

(₹ In Crores)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Fair Value of Plan Assets at the beginning of the year	0.21	0.19
Actual Return on Plan Assets	0.01	0.01
Employer's Contribution	0.07	0.01
Fair Value of Plan Assets at the end of the year	0.29	0.21

Amount recognised in balance sheet

(₹ In Crores)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Present value of projected benefit obligation at the end of the year	0.57	0.46
Fair value of plan assets at the end of year	0.29	0.21
Funded status amount of liability recognised in balance sheet	0.28	0.25

Expenses Recognised in the Profit & Loss Account

(₹ In Crores)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Current Service Cost	0.11	0.06
Past Service Cost	0.00	0.00
Interest Cost	0.03	0.04
Expected Return on Plan Assets	0.00	0.00
Net Actuarial (Gain)/ Loss Recognised In the period	0.00	0.00
Expenses Recognised in Statement of Profit and Loss	0.14	0.11

Other Comprehensive Income

(₹ In Crores)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Actuarial (gains) / losses		
- change in demographic assumptions	0.00	0.00
- change in financial assumptions	0.00	0.00
- experience variance (i.e. Actual experience vs assumptions)	0.03	(0.20)
- others	0.00	0.00
Return on plan assets, excluding amount recognised in net interest expenses	0.00	0.00
Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling	0.00	0.00
Components of defined benefit costs recognised in other comprehensive income	0.00	0.00

Summary of actuarial assumptions

(₹ In Crores)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Discount rate	6.85%	6.85%
Salary growth rate	5%	5%

The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the yields / rates available on applicable bonds as on the current valuation date.

The salary growth rate indicated above is the Company's best estimate of an increase in salary of the employees in future years, determined considering the general trend in inflation, seniority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.

Notes to Consolidated Ind AS Financial Statements for the year ended 31st March 2021**Demographic Assumption**

(₹ In Crores)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Mortality rate (% of IALM 06-08)	100%	100%
Normal retirement age	58 Years	58 Years
Attrition / Withdrawal rates, based on age: (per annum)		
Upto 30 years	10.00%	10.00%
31-44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%

Attrition rate indicated above represents the Company's best estimate of employee turnover in future (other than on account of retirement, death or disablement) determined considering various factors such as nature of business, retention policy, industry factors, past experience, etc.

Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

(₹ In Crores)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Defined Benefit Obligation (Base)	0.57	0.46

(₹ In Crores)

Name of equity share holders	As at 31 March 2021		As at 31 March 2020	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	0.66	0.41	0.53	0.41
(% change compared to base due to sensitivity)	15.00%	(12.30%)	13.14%	(11.10%)
Salary Growth Rate (- / + 1%)	0.41	0.53	0.41	0.53
(% change compared to base due to sensitivity)	(12.60%)	15.20%	(11.40%)	13.50%
Attrition Rate (- / + 50% of attrition rates)	0.57	0.58	0.46	0.47
(% change compared to base due to sensitivity)	(1.20%)	0.80%	(1.30%)	0.90%
Mortality Rate (- / + 10% of mortality rates)	0.57	0.57	0.46	0.46
(% change compared to base due to sensitivity)	(0.10%)	0.10%	(0.10%)	0.10%

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Sensitivity due to mortality & withdrawals are not material & hence impact of change not calculated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

Note 42 : Commitments and contingencies**Contingent Liabilities**

(₹ In Crores)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
(a) Counter Indemnities given to Banks in respect of contracts	227.30	233.24
(b) Income Tax Liability that may arise in respect of which Company is in appeal	33.60	27.85
(c) Service Tax liability that may arise in respect of matters in appeal	22.93	10.64
(d) TDS Liability as reflected in the Traces Portal which are under Reconciliation/ Appeal	0.05	0.00
(e) Value Added Tax liability that may arise in respect of matters in appeal	97.57	0.00
Total	381.46	271.73



Notes to Consolidated Ind AS Financial Statements for the year ended 31st March 2021

- The Company is contesting the demands and the Management, including its legal counsel/Tax Advisors, believe that it is possible, but not probable, the action will succeed and accordingly no provision for liability has been recognised in the financial statements.
- WRIT Petition is under process against the Income Tax Settlement Commission Order which has been completed in the Financial Year 2019-20 and Tax due has been paid as per ITSC order in three Installments. Two Installments paid in the Financial year 2019-20 and due to Covid 19 final Installment paid in Financial year 2020-21.
- GST returns have been filed belatedly for most of the Months.
- The reconciliation for purchases and expenditures with the details available in Form 2A, according to the GST portal is under process. No provision for dues of interest on GST dues, if any, is provided in the accounts pending finalisations.

Note 43 : Segment Information

The Company is engaged in one business segment, namely, "Construction and Infrastructure Development". The Company and its subsidiaries operate in India, Sri Lanka, and Mauritius. As the net profit/loss from the Overseas operations constitutes more than 10% of the total profit, geographical segment has been considered as the primary segment for consolidated Financial Statement and there are no other reportable segments as required to be disclosed under Ind AS 108 - Operating Segments

Particulars	(₹ In Crores)	
	For the year ended 31st March 2021	For the year ended 31st March 2020
Segmental Revenues		
India	491.63	574.10
Overseas	21.48	25.92
Total Revenue	513.11	600.02
Less: Inter Segmental Revenues	0.00	0.00
Net Sales/ Income from Operations	513.11	600.02
Add: Other Income	11.22	7.95
Revenues	524.33	607.96
Segmental Profits (Profit before Interest & tax)		
India	51.78	51.78
Overseas	4.56	4.56
Less: Interest & Finance Charges	(18.95)	(22.68)
Profit before tax	37.38	33.65
Capital Employed (Segmental Assets minus Liabilities)		
India	328.80	303.77
Overseas	22.66	(6.52)

Note 44. : Details of dues to Micro and Small Enterprises as defined under MSMED Act, 2006

There are no overdue amounts payable to Micro, Small and Medium Enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 based on information available with the Company. Further, the Company has not paid any interest to any Micro and Small Enterprises during the year ended March 31, 2021.

Note 45: Particulars of Unhedged Foreign Currency Exposure as at the Balance Sheet Date

Name of equity share holders	As at 31 March 2021		As at 31 March 2020	
	Foreign Currency	Equivalent INR	Foreign Currency	Equivalent INR
Payables				
LKR	19.85	7.70	19.84	7.70
Total	19.85	7.70	19.84	7.70
Receivables				
USD	0.11	7.94	0.11	7.94
TAKA	13.26	10.84	8.77	7.17
LKR	12.53	5.88	2.27	1.06
Total	25.90	24.66	11.15	16.17

Notes to Consolidated Ind AS Financial Statements for the year ended 31st March 2021**Note 46 : Financial Instruments Disclosure****46.1 Capital management**

The Company's objective when managing capital is to:

- (i) Safeguard its ability to continue as going concern so that the Company is able to provide maximum return to stakeholders and benefits for other stakeholders; and
- (ii) Maintain an optimal capital structure to reduce the cost of capital.
- (iii) The company maintains its financial framework to support the pursuit of value growth for shareholders, while ensuring a secure financial base. In order to maintain or adjust the capital structure, the Company may return capital to shareholders, issue new shares or sell assets to reduce debt.

The capital structure of the Company comprises of equity share capital, retained earnings and other equity attributable to equity holders. The Company is not subject to any externally imposed capital requirements.

46.2 Gearing ratio

The following table summarizes the capital of the Company and the gearing ratios:

Particulars	(₹ In Crores)	
	As at 31st March 2021	As at 31st March 2020
Total equity as per balance sheet	286.46	261.72
Non- current borrowings	57.96	34.45
Current borrowings	42.91	49.93
Current portion of long term borrowings	11.70	12.61
Cash and Bank balances	107.28	51.97
Net Debt	5.28	45.03
Net debt to Equity ratio	1.84%	17.21%

46.3 Categories of Financial Instruments

Particulars	(₹ In Crores)	
	As at 31st March 2021	As at 31st March 2020
Financial Assets		
Measured at fair value through profit or loss (FVTPL) (mandatorily measured)		
(a) Investment	0.07	0.09
Measured at Amortised cost		
(b) Long Term Loans and Advances	0.00	0.00
(b) Trade Receivables	156.03	164.37
(c) Cash and Cash equivalents	107.28	51.97
(d) Short Term Loans & Advances	33.00	36.81
(e) Others	260.82	142.97
Financial Liabilities		
Measured at amortised cost		
(a) Other Non Current Financial Liabilities	0.00	0.00
(b) Trade payables	130.65	115.35
(c) Other current financial liabilities	87.03	101.52

46.4 Financial Risk Management Objectives

In course of its business, the Company is exposed to certain financial risks that could have significant influence on the Company's business and operational / financial performance. These include market risk (including commodity price risk, currency risk and interest rate risk), credit risk and liquidity risk.

The Management reviews and approves risk Management framework and policies for managing these risks and monitor suitable mitigating actions taken by the management to minimise potential adverse effects and achieve greater predictability to earnings.



Notes to Consolidated Ind AS Financial Statements for the year ended 31st March 2021

In line with the overall risk management framework and policies, the treasury function provides services to the business, monitors and manages through an analysis of the exposures by degree and magnitude of risks

46.4.1 Market Risk

Market risk is the risk or uncertainty arising from possible market price movements and their impact on the future performance of a business. The major components of market risk are commodity price risk, foreign currency exchange risk and interest rate risk.

46.4.1.1 Foreign Currency Risk Management

The company has overseas subsidiaries which are however are not material subsidiaries. Net amount payable / receivable are not hedge and company is hopeful of recovering the same in ensuing financial year. There are no other foreign currency risk exposure to the Company.

46.4.1.3. Interest rate risk.

The Company is not exposed to interest rate risk because of borrowal of funds at fixed interest rates. The company's exposure to interest rate on borrowings are detailed in note 18 and 21.

46.4.2 Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. The customer profile consists of around 80-90% from Govt. Sectors.

The company's exposure to credit risk for trade and other receivables by type of counterparty are as follows

Particulars	(₹ In Crores)	
	Percentage to Total Trade receivables	
	As at 31st March 2021	As at 31st March 2020
Govt companies	87%	87%
Others	13%	13%

46.4.3 Liquidity Risk

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The Company manages liquidity risk by maintaining sufficient cash and cash equivalents including bank deposits and availability of funding through an adequate amount of committed credit facilities to meet the obligations when due. Management monitors rolling forecasts of liquidity position and cash and cash equivalents on the basis of expected cash flows. In addition, liquidity management also involves projecting cash flows considering level of liquid assets necessary to meet obligations by matching the maturity profiles of financial assets & liabilities and monitoring balance sheet liquidity ratios.

Contractual maturity of financial liabilities:

As at March 31, 2021	Due - within 1 year	Due - More than 1 year	Total
Non-Current Borrowings	11.70	57.96	69.65
Other Non-Current Financial Liabilities	0.00	0.00	0.00
Current Borrowings	42.91	0.00	42.91
Trade Payables	130.65	0.00	130.65
Other Current Financial Liabilities	87.03	0.00	87.03
Total	272.29	57.96	330.24
As at March 31, 2021	Due - within 1 year	Due - More than 1 year	Total
Non-Current Borrowings	0.00	34.45	34.45
Other Non-Current Financial Liabilities	0.00	0.00	0.00
Current Borrowings	49.93	0.00	49.93
Trade Payables	115.35	0.00	115.35
Other Current Financial Liabilities	101.52	0.00	101.52
Total	266.80	34.45	301.26

Notes to Consolidated Ind AS Financial Statements for the year ended 31st March 2021**Note 47: Joint Venture Agreement**

The Company has an unincorporated JV with the Party Ramalingam Construction Company Pvt Ltd with whom a project was jointly bid and obtained. However, the execution was fully done by the company. Company has agreed to pay 2% of Turnover of this project as Royalty to the Partner and this amount has been charged off to the Statement of Profit & Loss.

Note 48 - Disclosure Pursuant to Construction Contracts

Disclosures pursuant to Indian Accounting standard (Ind AS) 115, Revenue from Contracts with Customers

(a) The Company believes that the information provided vide Note 26 (Revenue from Operations) and vide Note 38 (Segment reporting) is sufficient to meet the disclosure requirements with respect to disaggregation of revenue under Ind AS 115, Revenue from Contracts with Customers.

(b) Reconciliation of the amount for revenue recognised in the Standalone Statement of Profit and Loss with the contracted price:

(₹ In Crores)

Particulars	As at 31st March 2021	As at 31st March 2020
Revenue from operations	513.11	575.69
Adjustments:		
Claims	0.00	0.00
Revenue from contract with customers	513.11	575.69

(c) **Contract balances**

(i) The following table provides information about receivables, contract assets and contract liabilities from the contracts with customers.

(₹ In Crores)

Particulars	Note	As at 31st March 2021	As at 31st March 2020
Trade receivables	11	156.03	164.37
Contract assets : Unbilled revenue	14	147.76	142.97
Contract liabilities - Advance billing to customer	24	8.67	7.04
Contract liabilities - Mobilisation advances	24	34.69	44.05

(ii) Movement in contract balances during the year

(₹ In Crores)

Particulars	Contract assets	Contract liabilities	Net contract balances
Opening balance as at April 1, 2020	142.97	51.09	91.88
Closing balance as at March 31, 2021	147.76	43.36	104.40
Net increase/(Decrease)	4.80	(7.73)	12.53

Note: Increase in net contract balances is primarily due to higher revenue recognition as compared to progress bills raised during the year.

(iii) Revenue recognised during the year from opening balance of Contract liabilities amounts to Rs. 19.68 Crores

(d) **Remaining performance obligations**

In case of revenue from Road repair and maintenance, the Company applies the practical expedient in paragraph 121 of Ind AS 115 and does not disclose information about remaining performance obligations where the Company has a right to consideration from customer in an amount that corresponds directly with the value to the customer of the Company's performance completed to date. Accordingly, the Company recognises revenue by an amount to which the Company has a right to invoice.

Remaining performance obligations are subject to variability due to several factors such as changes in scope of contracts, periodic revaluations of the estimates, economic factors (changes in currency rates, tax laws etc). The aggregate value of transaction price allocated to remaining performance obligations is Rs 777.70 Crores out of which 35%-40% is expected to be recognised as revenue in the next year and the balance thereafter.

As per our report of even date

On behalf of Board of Directors

CA S N DURAISWAMY
Membership No. :026599

P. Arul Sundaram
Chairman &
Managing Director
DIN: 00125403

A. Nithya
Whole Time Director &
Chief Financial Officer
DIN: 00125357

Date : 01.06.2021
Place :Erode

Pradeep Kumar Nath
Company Secretary
M.No: 40148



Notes to Consolidated Ind AS Financial Statements for the year ended 31st March 2021

Notes 49 to Consolidated Ind AS Financial Statements for the year ended 31st March 2021

(a) Name of related Parties and related party relationship

Related Party where control exists

Sr No	Name of the Related Party	Nature of Relationship
1	RPP Infra Overseas PLC	Subsidiary
2	RPP Infra Projects (Lanka) Limited	Subsidiary
3	Sanskar Dealcom Pvt Ltd	Subsidiary
4	Greatful Mercantile Pvt Ltd	Subsidiary
5	Lunkar Finance Private limited	Step down Subsidiary
6	RPP Annai JV Private Limited	Subsidiary
7	P Arul Sundaram – Chairman & Managing Director	Key Management Personnel
8	A Nithya – Whole Time Director	Key Management Personnel
9	Renaatus Projects Pvt Ltd	Mr. Arul Sundaram (CMD) is the brother of Mr. P. Selvasundaram who is promoter of M/S. Renaatus Projects Pvt Ltd
10	P & C Projects Pvt Ltd	Mrs. A. Nithya (WTD) is one of the share holder in M/s. P & C Construction Pvt Ltd and her brothers are Chairman of M/s. P & C Projects Pvt Ltd.
11	Sanjeevi Constructions	Mr. Muralithasan who is the Director, is Managing Partner of the Firm
12	Thaya Constructions	A firm in which Managing Director's Daughters are partners.
13	RPP P&C JV	A Firm in which RPP IPL is lead partner
14	RPP RK P&C JV	A Firm in which RPP IPL is lead partner
15	RPP Dhanya JV	A Firm in which RPP IPL is lead partner
16	RPP Renaatus JV	A Firm in which RPP IPL is lead partner
17	RPP Sathyamoorthy JV	A Firm in which RPP IPL is lead partner
18	RPP RK JV	A Firm in which RPP IPL is lead partner
19	RPP Blue Metals	Mr. P. Selvasundaram who is brother of Mr. Arulsundaram (CMD), is a director.
20	Ero Techno Systems	Proprietorship owned by Mr. Arulsundaram
21	Nirara Shelters LLP	Mrs. A Nithya (WTD) is one of the Partner
22	R.P.P. Stocks and Securities Private Limited	Common Director
23	Arve Impex Private Limited	Common Director
24	RPP Ventures Private Limited	Common Director
25	Renaatus –RPP JV	A Firm in which RPP IPL is least partner
26	P&C RPP JV	A Firm in which RPP IPL is least partner
27	Spac Terminal Market Complex Limited	Common Director
28	Supreme Poultry Private Limited	Common Director
29	Dexterity Business Analysts Private Limited	Common Director
30	RPP RCCL JV	A Firm in which RPP IPL is lead partner
31	RPP Infra Projects Myanmar Limited	Associate Company
32	RPP SMC JV	A Firm in which RPP IPL is lead partner

(b) Transactions with Related Parties

Particulars	(₹ In Crores)	
	For the year ended 31st March 2021	For the year ended 31st March 2020
Nature of Transaction/ Relationship/ Parties		
Purchase of Goods & Services/ Work Bills		
Other Related Parties		
P & C Projects Pvt Ltd	0.22	0.64
Sanjeevi Constructions	0.24	0.00
Renaatus Projects Pvt Ltd	0.15	0.21
Thaya Constructions	2.34	1.46
RPP Blue Metals	0.28	0.09
Ero Techno Systems	0.33	0.00
Sale of goods/ contract revenue & services		

Notes to Consolidated Ind AS Financial Statements for the year ended 31st March 2021

(₹ In Crores)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Subsidiaries		
RPP Annai JV Private Limited	0.00	0.90
Other Related Parties		
Renaatus Projects Pvt Ltd	0.37	0.00
P & C Projects Pvt Ltd	5.81	3.90
Sanjeevi Constructions	0.00	0.00
Ero Techno Systems	0.21	0.00
RPP P&C JV	10.05	0.00
RPP RCL JV	4.76	0.00
Subscription to equity shares (including application money paid)		
Subsidiaries		
RPP Annai JV Private Limited	0.00	0.01
Sale of Subsidiaries		
R.P.P. Energy Systems Pvt Ltd	0.03	0.00
Advances/Loan received/ recovered		
Subsidiaries		
RPP Annai JV Private Limited	0.00	4.99
Other Related Parties		
Sanjeevi Constructions	0.28	0.16
Renaatus Projects Pvt Ltd	5.80	0.00
P & C Projects Pvt Ltd	0.40	0.33
Thaya Constructions	0.00	0.00
RPP Dhanya JV	7.18	0.00
RPP Renaatus JV	3.99	0.00
Other Related Parties Transactions		
P. Arulsundaram - Chairman and Managing Director	5.93	5.29
Mrs. A. Nithya - Whole Time Director	4.26	12.84
Other Transactions		
Outstanding Balance as on 31/03/2021		
Subsidiaries		
R.P.P. Energy Systems Pvt Ltd	0.00	0.00
RPP Infra Overseas PLC	7.94	7.94
RPP Infra Projects (Lanka) Limited	7.70	7.70
Sanskar Dealcom Pvt Ltd	0.00	0.00
Greatful Mercantile Pvt Ltd	0.01	0.00
RPP Annai JV Private Limited	4.96	5.02
Other Related Parties		
Renaatus Projects Pvt Ltd	6.38	0.39
P & C Projects Pvt Ltd	4.41	0.01
Thaya Constructions	1.25	0.19
Sanjeevi Constructions	0.65	0.97
RPP Dhanya JV	7.00	0.00
RPP Renaatus JV	3.99	0.00
RPP Sathyamoorthy JV	0.00	0.00
Lunkar Finance Private limited	10.45	0.01
Ero Techno Systems	0.31	0.00
RPP Blue Metals	0.25	0.00
RPP P&C JV	0.80	0.00
RPP RK P&C JV	0.99	0.00
RPP RK JV	0.00	0.00
Due to Director (Current Account)		



Notes to Consolidated Ind AS Financial Statements for the year ended 31st March 2021

(₹ In Crores)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
P. Arulsundaram - Chairman and Managing Director	0.15	0.35
Mrs. A. Nithya - Whole Time Directors	0.07	0.11
Payment of Salaries/ perquisites (Other than commission to Key management personnel)		
Mr. P. Arulsundaram - Chairman and Managing Director	0.12	0.63
Mrs. A. Nithya - Whole Time Directors	0.05	0.27
Rent Paid to Directors		
Mr. P. Arulsundaram - Chairman and Managing Director	0.08	
Interest paid to Directors		
Mr. P. Arulsundaram - Chairman and Managing Director	0.00	0.16
Mrs. A. Nithya - Whole Time Directors	0.00	0.74

Annexure - 4
Form No AOC - 1

(₹ In Crores)

Name of the Subsidiary Reporting period for the Subsidiary concerned	As at 31 March 2021					
	RPP Infra Projects (Lanka)	RPP Infra Overseas PLC	Sanskar Dealcom Pvt Ltd	Greatful Mercantile Pvt Ltd	Lunkar Finance Pvt Ltd	RPP Annai JV Pvt Limited
Reporting Currency	LKR	US \$	INR	INR	INR	INR
Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR/LKR 0.37	INR/USD 0.01				
Share Capital	0.05	0.02	0.03	0.03	0.42	0.01
Reserves and Surplus	1.03	8.01	0.14	0.15	15.91	-0.02
Total Assets	7.80	16.91	0.18	0.19	16.36	4.67
Total liabilities	6.72	8.88	0.01	0.01	0.03	4.68
Investments	0.00	0.00	0.00	0.00	0.00	0.00
Turnover	0.01	0.00	0.00	0.00	0.00	35.22
Profit before taxation	0.00	(0.01)	0.00	0.00	0.00	-0.02
Provision for taxation	0.00	0.00	0.00	0.00	0.00	0.00
Profit after taxation	0.00	(0.01)	0.00	0.00	0.00	-0.02
Proposed Dividend	0.00	0.00	0.00	0.00	0.00	0.00
% of Shareholding	100%	100%	100%	100%	100%	51%

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

As per our report of even date

On behalf of Board of Directors

CA S N DURAISWAMY
Membership No. :026599

P. Arul Sundaram
Chairman &
Managing Director
DIN: 00125403

A. Nithya
Whole Time Director &
Chief Financial Officer
DIN: 00125357

Date : 01.06.2021
Place :Erode

Pradeep Kumar Nath
Company Secretary
M.No: 40148



R.P.P INFRA PROJECTS LIMITED

CIN: L45201TZ1995PLC006113

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