



9TH

ANNUAL REPORT

2020-21

BONDADA ENGINEERING PRIVATE LIMITED

CIN: U28910TG2012PTC080018

Reg. Off: Plot No.1-1-27/37, Ashok Manoj Nagar, Behind Saket Towers, Kapra, Hyderabad-500062
Corp. Off: Surya P.P.R. Towers, 3rd Floor, Plot No.11 & 15, Ganesh Nagar, Kapra, Hyderabad – 500062



BONDADA ENGINEERING PRIVATE LIMITED

[CIN: U28910TG2012PTC080018]

Board of Directors: Mr. Bondada Raghavendra Rao Whole-time Director
Mrs. Bondada Neelima Director
Mr. Baratam Satyanarayana Whole-time Director

Auditors: M/s Lalith Prasad & Co.,
Chartered Accountants
402, Golden Green Apartments,
6-3-542/1, Panjagutta,
Hyderabad – 500082.

Bankers: Federal Bank Limited,
Lakdikapul Branch,
Hyderabad.

Regd. Office: Plot No.1-1-27/37,
Ashok Manoj Nagar,
Behind Saket Towers, Kapra,
Hyderabad – 500062

Corp. Office: Surya P.P.R. Towers, 3rd Floor,
Plot No.11 & 15, Ganesh Nagar,
Kapra, Hyderabad – 500062
Tele Fax: 040-65534662



NOTICE

NOTICE is hereby given that the 9th Annual General Meeting of the Members of **BONDADA ENGINEERING PRIVATE LIMITED** will be held on Monday, the 29th day of November, 2021 at 11.00 A.M. at the Registered Office of the Company at Plot No.1-1-27/37, Ashok Manoj Nagar, Behind Saket Towers, Kapra, Hyderabad-500062, Telangana to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements for the year ended 31st March, 2021 together with the Reports of the Board of Directors and the Auditors thereon.

SPECIAL BUSINESS:

2. Approval of the re-appointment of Mr. B Raghavendra Rao as a Whole-time Director of the Company.

To consider and if thought fit, pass with or without modification the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to recommendation and approval of the Board and subject to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule- V of the Companies Act, 2013 and Article 49 of Articles of Association of the Company, approval of the members of the Company be and is hereby accorded to the re-appointment of Mr. Bondada Raghavendra Rao, as Whole-time Director of the Company with effect from November 01, 2020 to October 31, 2025, as well as the payment of salary, commission and perquisites (hereinafter referred to as “remuneration”), upon the terms and conditions as detailed in the explanatory statement attached hereto, which is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms and conditions of the said appointment and / or agreement in such manner as may be agreed to between the Board of Directors and Mr. Bondada Raghavendra Rao.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 197 and read with Schedule V of the Companies Act, 2013 and other applicable provisions, if any and the rules made there under, the Company be and is hereby authorised to pay the remuneration by way of salary to Rs.12,12,000/- per annum, subject to periodical review by the Board to Mr. B Raghavendra Rao, Whole-time Director of the Company in such a break-up as per the policy of the company.



RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any one of Directors to give effect to the aforesaid resolution.”

By Order of the Board of Directors
Bondada Engineering Private Limited

Sd/-

Place : Hyderabad
Date : 04-11-2021

B. Raghavendra Rao
Whole-time Director
DIN: 01883766

NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
- A person can act as a proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than 10% (ten percent) of the total share capital of the Company carrying voting rights. A member holding more than 10% (ten percent) of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- The instrument of Proxies to be effective must be deposited at the Registered Office of the Company not later than 48 hours before commencement of the Meeting.
- Members are requested to intimate any change in their registered addresses to the Company at its registered office immediately.
- Members are requested to bring their attendance slip along with their copies of Annual Report to the Meeting.



EXPLANATORY STATEMENT
[Pursuant to Section 102 of the Companies Act, 2013]

ITEM No. 2

The Board of Directors of the Company pursuant to the provisions of Section 161, 152, 196, 197, 203, Schedule V and any other applicable provisions of the Companies Act, 2013 read with Rule 3 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or re-enactment thereof) re-appointed Mr. B Raghavendra Rao (DIN: 01883766) as a Whole-time Director of the Company with effect from 1st November, 2020 and the approval of the Members is sought for such appointment. Hence, the said resolution is recommended to the members for their consideration and approval.

None of the Directors of the Company / their relatives are in any way, concerned or interested, financially or otherwise in the resolution, except to the extent of their shareholding in the Company, if any.

By Order of the Board of Directors
Bondada Engineering Private Limited

Place : Hyderabad
Date : 04-11-2021

Sd/-
B. Raghavendra Rao
Whole-time Director
DIN: 01883766

BONDADA ENGINEERING PRIVATE LIMITED

BOARD'S REPORT

To
The Members
BONDADA ENGINEERING PRIVATE LIMITED
HYDERABAD

Your Directors have pleasure in presenting the 9th Annual Report of BONDADA ENGINEERING PRIVATE LIMITED (the Company) along with the audited financial statements for the Financial Year ended March 31, 2021.

FINANCIAL SUMMARY

The financial particulars of the Company, as on March 31, 2021 are as under:

(Amount in INR)

Particulars	At Standalone Level		At Consolidated Level	
	For the year ended 31.03.2021	For the year ended 31.03.2020	For the year ended 31.03.2021	For the year ended 31.03.2020
Income from Operations	287,10,38,800	229,40,28,330	287,10,38,800	229,40,28,330
Other Income	1,22,99,144	8,43,212	1,22,99,144	8,43,212
Total	288,33,37,944	229,48,71,542	288,33,37,944	229,48,71,542
Expenditure	276,53,66,386	215,51,23,215	276,57,59,230	215,60,43,617
Profit/(Loss) before tax	11,79,71,559	13,97,48,327	11,75,78,715	13,88,27,925
Less: Provision for Tax incl. Deferred Tax	3,96,01,370	3,73,94,184	2,42,57,089	3,73,03,758
Less: Prior period Tax Adjustments	-	-	-	-
Profit/(Loss) after tax	9,37,34,885	10,23,54,143	9,33,21,626	10,15,24,167
Earnings per Share	114.31	124.82	113.81	123.81

The overall performance of the Company for the Financial Year 2020-21 has been on expected lines and the Directors are happy to have achieved the above results in its 9th year of operations.

AT CONSOLIDATED LEVEL:

The Company has prepared Consolidated Financial Statements in accordance with the applicable accounting standards. The Consolidated Financial Statements reflect the results of the Company along with that of its Subsidiaries. The Audited Consolidated Financial Statements together with the Independent Auditor's Report thereon are annexed and forms part of this Annual Report.

Further, pursuant to the provisions of Section 129(3) of the Companies Act, 2013, a statement containing the salient features of the financial statements of its Subsidiaries in the prescribed **Form AOC-1** forms part of this Report and the same is enclosed herein as an **Annexure-I**. The statement also provides the details of performance and financial position of each of the Subsidiaries.

REVIEW OF OPERATIONS AND COMPANY'S STATE OF AFFAIRS

During the year under review, the company has reported net revenue of INR 287.10 Crore with Y-o-Y growth rate of 25% inspite of difficult times during COVID-19 pandemic period. However, revenue CAGR of last nine operating years is at 58%. The company is successful in delivering services and products to its customers on time with assured quality which made the company unique at their clients. This has resulted in getting repetitive orders from same clients apart from addition of new clients in the current fiscal. Overall performance for the year was satisfactory. The company has handled COVID situation throughout the year with utmost care and least impact on health of the employees with all possible precautions without effecting deliveries to customers. This has resulted in getting confidence of employees and customers which is a remarkable achievement by the company.

Few notable points:

- ✓ Received ET Excellence Award from Hon'ble Home Minister of Telangana State, Shri Mohammed Mahmood Ali in the category of Telecom Infrastructure Services (Declared as "**Best Telecom Infrastructure Services Provider of the Year**")
- ✓ ICRA rated our credit facilities as "**BBB Stable**" and categorized the company as consistent performer with low risk profile for the consecutive 2nd year
- ✓ CAGR (Compounded Annual Growth Rate) of revenue of last nine years is at **58%**
- ✓ Strong order book position as on 1st April 2021 – **INR 198.16 Crore**
- ✓ CRISIL has accredited our company with **MSE-1** for consecutive fifth year. MSE-1 indicates the best rating (highest financial strength and highest operational performance)
- ✓ Solar EPC segmental revenue got doubled with revenue contribution of **17%** as against 11% of last year. The company's target is to have 30% of its revenue from Solar EPC segment.
- ✓ Employee Salary disbursement during the year was at **INR 69.46 Crore** with average monthly disbursement of INR 5.79 Crore
- ✓ Continue to bag orders from Reliance JIO for all kinds of their telecom requirements, orders received during the year to the tune of **INR 150.86 Crore** and became the biggest customer of the year.

Professional management, strong and positive leadership, healthy work environment, proper internal controls through budget system, effective use of technology, robust MIS, excellent customer service made the company to excel in performance in its 9th year.

Growth Prospects & Future Outlook

The Company has ample avenues to grow in its business segments.

Telecom:

Telecom operators are now more focusing on 5G / LTE network. Creation of 5G infrastructure, both passive and active, involves huge capital investment from telecom operators. Creation of 5G infrastructure includes installation of more number of towers and laying of more number of KM's optical fiber cable. The implementation works may last for 4 to 5 years depending upon the speed of infrastructure creation by respective telecom companies. Reliance JIO has already started network creation for its 5G implementation.

India is one of the biggest consumers of data worldwide. As per TRAI, the average wireless data usage per wireless data subscriber was 14.70 GB per month during 2nd quarter of 2021. The CAGR of average wireless data usage in the last five years in India is at 25% which indicates consumption of data is increasing consistently. The number of fixed broadband subscriptions per 100 inhabitants in India were at 1.62 subscriptions as against 36.50 subscriptions in USA. It indicates there is ample growth possible in fixed broadband subscriptions in India.

Telecom Towers in India:

Year	No of Towers
2017	4,12,387
2019	5,60,162
2021	6,63,135

(Source: Telecom Statistics India)

The number of towers in India is expected to grow with average increase of ~ 10% for next five years.

Prime Minister laid out a vision in August 2020, to connect every village in the country with OFC as per the goal of "National Broadband Mission – Broadband for All". As per statistics, approximately 28 Lakh kilometers of OFC has been laid in the country and 34% of the towers have been fiberized as on August 2020. To address the demands of large bandwidth as the average data consumption for each subscriber is continuously increasing, we need to increase the fiberisation of towers from the present 34% to at least 70%. This will also facilitate telecom towers to have robust backhaul to cater high volume data requirement and better quality of services.

To cope with voice and data demand, Telcos need to increase their passive infrastructure facilities. This contributes sufficient business opportunities for us in telecom construction segment. The company is presently working with Reliance JIO, Tata, Airtel, Indus, Tower Vision and ATC in telecom segment. The company is providing O&M services to Reliance Jio, Tata, Airtel, ITI, BSNL, L&T, Ericsson and Idea. The company has pan India presence in this segment.

Solar EPC:

The company has delivered 17 MW solar plants during the year 2020-21. The delivery capacity has increased multifold compared to previous financial year. Based on the vast experience by the management team and successful projects completion, the company is now successful in getting further EPC contracts from M/s KPI Global Infrastructure Limited. M/s KPI Global has plans to implement around 100 MW solar power plants during the FY 2021-22 which becomes business opportunity for us. In the long run, KPI Global strategy is to install 500 MW by the year 2025 which gives longer business prospects in terms of solar EPC contracts.

The company is also pursuing orders from other Solar companies like Adani, Enrich Energy, Greenko, REC and SJVNL for their solar EPC requirements. Apart from solar companies, the company is also putting its efforts to get works from Embassy group and ITC limited for their captive power consumption through solar power.

As per Global Trends in Renewable Energy Investment 2020 report, India attracted investments worth INR 4.70 Lakh Crore in renewable energy projects from 2014 to 2019. The investments in solar power plants are considerably increasing owing to favorable Government policies and incentives.

Few Notable Points to highlight future outlook of this business segment:

- Huge investments in renewable energy (Solar and Wind) in India
- Favorable policies and incentives by Govt. of India
- Solar-Wind hybrid policy to achieve a hybrid solar-wind capacity of 20GW by 2022
- Large scale central auctions for implementation of solar parks by SECI
- Capital infusion by Government into the renewable sector
 - Additional capital infusion of INR 1000 Cr to SECI
 - Additional capital infusion of INR 1500 Cr to REDA
- Power generation from solar and wind projects is likely to be cost competitive relative to thermal power generation
- Rising demand for power in India
- Untapped energy Potential – India is estimated to have a renewable energy potential of 900 GW from commercially exploitable sources
 - Solar energy – 750 GW
 - Wind power – 102 GW
 - Bio energy – 25 GW
 - Small Hydro – 20 GW

Owing to the above power demand particularly from renewable energy sector, the company has fairly good opportunities in Solar EPC segment to multifold its revenues from this segment alone. The company has also started participating in solar tenders being floated by Public sector undertakings and is confident of grabbing the orders.

Green Products:

Flyash Blocks / Bricks – The manufacturing plant is situated at Jaggaiahpet catering supplies to both Andhra Pradesh and Telangana states. The annual capacity of the plant is 1, 50, 000 Cu.M per annum and has operated at 70% its operating capacity owing to COVID-19 restrictions. The company is successful in continuing supply of products to major customers like L&W, Vasavi Group, Ambience Group, Alpine Infratech, Abhiram Infra, Shaporji Pallomji, My Home Constructions, Janapriya Projects, Ashoka Builders, GAR Corporation, The Building Co., Anuhar Homes, GVR Infratech, Canny Lifespaces and JMC Projects apart from various individual clients and dealers. The company has increased its dealer base from 34 dealers to 56 dealers during the year. The company has never compromised on Quality of product and timely delivery to the customers which made this product unique to our esteemed customers.

The market potential for this product is bright evidenced by the following factors.

- Since the product is made out of industrial waste, it is environmental friendly. This will result in increased demand for green products compared to regular red clay bricks.
- Government has put an embargo on quality of building materials with energy performance index of < 150 kWh/Sq. Mt per year for all commercial buildings. This requirement can be met only with the usage of Flyash bricks.

The company's experience and expertise in managing manufacturing facilities, good relations with builder companies and strong marketing skills helped the company in bagging decent orders from corporate builders and medium sized builders.

u-PVC Windows & Doors – The company has two manufacturing plants, one in Vizag and the other in Hyderabad. The annual capacity of both plants together is at 6 Lakhs Sft per annum. The plant has operated at 65% during the year owing to COVID-19 restrictions. The company is supplying material to all leading infrastructure developers in residential, commercial and industrial segments. The demand for these stylish durable windows is increasing and the company is eyeing to tap major share from this segment.

The company is successful in spreading its customer base widely and is confident of utilizing its fullest capacities of both plants to serve the building construction sector even better.

Dedicated and hardworking marketing team, best negotiation skills of purchase team, quality product from production team and on time service delivery with utmost quality from sales team made this segment succeed in its business. The company is hopeful to continue the same in the coming year as well.

MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED FROM THE FINANCIAL YEAR ENDED 31ST MARCH, 2021 TO THE DATE OF SIGNING OF THE DIRECTOR'S REPORT

After close of the financial year under review, the Company was transferred a business unit of manufacturing flyash bricks, cement bricks and all types bricks under Slump to Smartbrix Infra Technologies Private Limited, a Subsidiary Company to the company and a business unit of manufacturing all types of uPVC Windows and Doors to Bondada Abodes Private Limited having effective date as 31-03-2021 vide an agreement dated 23-07-2021 respectively.

DIVIDEND

Keeping in view the growth and expansion of the Activities of the Company, the Board of Directors wants to retain the profits in the Company's reserves and as such not recommending for payment of any dividend for the financial year 2020-21 under review.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.

TRANSFER OF AMOUNT TO RESERVES

The Board of Directors has not recommended any amount to be transferred to reserves for the financial year ended 31st March, 2021.

SHARE CAPITAL

There is no change in the capital structure of the company during the year 2020-21. The present Authorized Share capital of the company is Rs. 1,00,00,000 divided into 10,00,000 Equity Shares of Rs10/- each and the Paid up Share Capital is Rs.82,00,000 divided into 8,20,000 Equity Shares of Rs. 10/- each.

DIRECTORS

During the Year under review there was no change in composition of members of the Board. Presently the Board of Directors of the Company comprises of three directors i.e. Mr. Bondada Raghavendra Rao, Mrs. Bondada Neelima and Mr. Baratam Satyanarayana.

NUMBER OF BOARD MEETINGS

During the FY 2020-21, the Company has duly conducted Four (4) Board Meetings respectively on the following dates: 21.05.20; 24.09.20; 03.11.20 and 22.12.20. All the directors of the Company had attended all the Board Meetings held during the year.

Further, the intervening gap between any two consecutive Board meetings did not exceeded one hundred and twenty days.

COMMITTEES OF THE BOARD

The Company, being a Private Limited Company, is not required to constitute any Committees of the Board, except CSR Committee, as per the provisions of the Companies Act, 2013.

CORPORATE SOCIAL RESPONSIBILITY POLICY

During the year under review the Company complied with the provisions relating to Corporate Social Responsibility under Section 135 of Companies Act, 2013 and spent the requisite amount as per Corporate Social Responsibility Policy of the Company and the Annual Report on CSR Activities is presented as an **Annexure-II** to this report.

DETAILS OF SUBSIDIARIES / JOINT VENTURES / ASSOCIATE COMPANIES

The Company does not have any Joint Ventures. However, the Company has the following Subsidiaries and Associate Company, the details of which are given as hereunder:

Sl. No.	NAME OF THE COMPANY	CIN	SUBSIDIARY / ASSOCIATE COMPANY
1.	SmartBrix Infra Technologies Private Limited	U36999AP2017PTC106508	Subsidiary
2.	Bondada Abodes Private Limited (formerly known as Proaxive Tech Solutions Private Limited)	U45100TG2018PTC122820	Subsidiary

EXTRACT OF ANNUAL RETURN

The extracts of Annual Return is prepared in Form MGT-9 as per the provisions of Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, which forms part of this report and the same is enclosed as an **Annexure-III**.

AUDITORS AND AUDITORS' REPORT

As the members are aware, M/s Lalith Prasad & Co., Chartered Accountants, Hyderabad (Firm Registration No. 008089S) were appointed as Statutory Auditors of the Company at the Annual General Meeting held on 30th September, 2019 for a term of five consecutive years and will be continued as Auditors of the company for the financial year 2021-22.

No qualifications, reservations or adverse remarks have been made by the Auditors in their report, which requires any clarification from the management of the Company.

SECRETARIAL AUDIT

Being a Private Limited Company, the provisions of Section 204 of the Companies Act, 2013 read with the Rules made thereunder pertaining to Secretarial Audit are not applicable to the Company.

COST AUDIT

With reference to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 subject to further amendments from time to time, the company appointed Mr. Sativada Venkat Rao (M. No. 3359), Cost Accountant (Firm Reg. No. 100340) as Cost Auditor of the Company for the financial year 2020-21 and the respective cost audit report was taken into account by the Board and duly approved.

INTERNAL CONTROL SYSTEMS AND ITS ADEQUACY

The Company has a proper and adequate system of internal controls. This ensures that all transactions are authorised, recorded and reported correctly and assets are safeguarded and protected against loss from unauthorized use or disposition. In addition there are operational controls and fraud risk controls, covering the entire spectrum of internal financial controls.

An extensive programme of internal audits and management reviews, supplements the process of internal financial control framework. Properly documented policies, guidelines and procedures are laid down for this purpose. The internal financial control framework has been designed to ensure that the financial and other records are reliable for preparing financial and other statements and for maintaining accountability of assets.

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Audit function reports to the Management. The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Board.

VIGIL MECHANISM

The Company is not required to constitute a Vigil Mechanism as the Company is not fulfilling the criteria required under Section 177(9) read with Rule 7 of the Companies (Meetings of Board and its Power) Rules, 2014.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirements under Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- a) in the preparation of the Annual Accounts, 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 at the end of the financial year and of the profit and 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 laid down internal financial controls to be followed by the company and such internal financial controls are adequate and were operating effectively; and
- f) 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.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

During the period under review, the Company has not provided any loan or given any guarantee/security or not made any investments pursuant to the provisions of Section 186 of the Companies Act, 2013.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

During the year under review, the Company has not entered into any transactions with related parties falling under the scope of Section 188(1) of the Companies Act, 2013.

DEPOSITS

The Company has neither accepted nor repaid any deposits during the financial year ended on 31st March, 2021. Further, there were no outstanding deposits as at the beginning or at any time during the financial year. Hence, no details are required to be provided pursuant to Rule 8 (5) (v) & (vi) of the Companies (Accounts) Rules, 2014.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND RESEARCH & DEVELOPMENT

The details regarding Energy Conservation, Technology Absorption, Foreign Exchange Inflow and Outflow as required under Section 134 (3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are as follows:

Conservation of Energy:

The company is in the process of identifying the areas for conservation of energy.

Technology Absorption:

No technology either indigenous or imported is involved.

Research & Development:

No research and development has been carried out

Foreign Exchange Earnings and Outgo:

The Company has not earned any foreign exchange during the year and the following foreign currency outgo was made during the year under review.

Sl. No.	Name of the Party	Purpose	Date of remittance	Currency	Amount	Amount in INR
1	GAO WENMING	Import of Spares	15-12-2020	USD	500	37,527

DISCLOSURE ON SEXUAL HARASSMENT OF WOMEN AT WORK PLACE

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. During the year under review there were no complaints or cases filed pursuant to the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

RISK MANAGEMENT POLICY

Risk Management is the process of identification, assessment and prioritization of risks followed by coordinated efforts to minimize, monitor and mitigate/control the probability and/or impact of unfortunate events or to maximise the realization of opportunities. The Company has laid down a comprehensive Risk Assessment and Minimization Procedure. These procedures are reviewed to ensure that executive management controls risk through means of a properly defined framework. The major risks have been identified by the

Company and its mitigation process/measures have been formulated in the areas such as business, project execution, event, financial, human, environment and statutory compliance.

GENERAL

During the financial year under review, no disclosure or reporting is required in respect of the following items as there were no transactions /events pertaining to these items:

- Disclosure regarding Issue of Equity Shares with Differential Rights;
- Disclosure regarding issue of Employee Stock Options;
- Disclosure regarding issue of Sweat Equity Shares
- Fraud Reporting (Required by Companies Amendment Bill, 2014);
- Details of significant & material orders passed by the regulators or courts or tribunal.

Acknowledgement

Your Directors place on record their appreciation for the sincere and dedicated efforts made by all the employees of the Company. Your Directors would also like to thank to all the Shareholders, Customers, Bankers, Government authorities, Vendors and other Business associates for their sustained support, patronage and co-operation.

For and on behalf of the Board
Bondada Engineering Private Limited

Place: Hyderabad
Date: 04-Nov-2021

Sd/-
B Raghavendra Rao
Whole-time Director
DIN: 01883766

Sd/-
B Satyanarayana
Whole-time Director
DIN: 02610755

Form AOC-1

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

Part "A": Subsidiaries

(Information in respect of each subsidiary is presented with amounts in Rs.)

Sl. No.	Name of the Subsidiary	The date since when Subsidiary was acquired	Reporting period, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Share Capital	Reserves & Surplus	Total Assets / Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of Shareholding
1	SmartBrix Infra Technologies Private Limited	21.08.2017	April - March	N.A.	1,00,000	-58,651	12,09,60,361	NIL	NIL	-16,357	-	-16,357	NIL	99.99
2	Bondada Abodes Private Limited (formerly known as Proaxive Tech Solutions Private Limited)	09-03-2018	April - March	N.A.	10,00,000	-22,23,454	4,64,49,410	Nil	Nil	-3,76,491	20,415	-3,96,906	Nil	100

Notes:**1. Names of subsidiaries which are yet to commence operations / revenue to be generated-**

Sl. No.	Name of the Subsidiary	CIN
1.	SmartBrix Infra Technologies Private Limited	U36999AP2017PTC106508
2.	Bondada Abodes Private Limited (formerly known as Proaxive Tech Solutions Private Limited)	U45100TG2018PTC122820

2. Names of subsidiaries which have been liquidated or sold during the year- NIL**Part "B": Associates and Joint Ventures****Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

The Company does not have any Associates and Joint Ventures. Hence, disclosure under Part "B" is not applicable to the Company.

For and on behalf of the Board
 Bondada Engineering Private Limited

Sd/-
 B Raghavendra Rao
 Director
 DIN: 01883766

Sd/-
 B Satyanarayana
 Director
 DIN: 02610755

Place: Hyderabad

Date: 04-Nov-2021

5.	Details of CSR spent during the financial year	Rs.26.85 Lakhs
a.	Total amount to be spent for the financial year	Rs.26.55 Lakhs
b.	Amount unspent, if any in previous financial year	Nil
c.	Amount available for set-off in succeeding financial years	Rs.0.30 Lakhs
d.	Manner in which the amount spent during the financial year	As detailed below

Details of Amount Spent on CSR Activities during the Financial Year 2020-21:

(Rs. In Lakhs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	CSR project or activity Identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
1	Promoting Rural Development	Promoting Rural Development	Nagayalanka Mandal, Jaggaiahpet, Kapra, Vijayawada, Choutuppal	22.05	23.95	23.95	Direct
2	Promoting Education	Promoting Education	Hyderabad, Telangana	1.50	0.90	0.90	Direct
3	Promoting Education	Promoting Education	Krishna District, Andhra Pradesh	1.50	0.50	0.50	Direct
4	Promoting Education	Promoting Education	Guntur District, Andhra Pradesh	1.50	1.50	1.50	Direct
	TOTAL			26.55	26.85	26.85	

6	The reasons for not spending the amount, if any	N. A.
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Responsibility Statement

The implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

For and on behalf of the Committee
Bondada Engineering Private Limited
CIN: U28910TG2012PTC080018

Place: Hyderabad
Date: 04-Nov-2021

Sd/-
B Raghavendra Rao
Whole-time Director
DIN: 01883766

Sd/-
B Satyanarayana
Chairman CSR Committee
DIN: 02610755

FORM NO. MGT-9**EXTRACTS OF ANNUAL RETURN****As on the financial year ended on 31.03.2021****[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management & Administration) Rules, 2014]****I. REGISTRATION AND OTHER DETAILS:**

i.	CIN	U28910TG2012PTC080018
ii.	Registration Date	29-03-2012
iii.	Name of the Company	Bondada Engineering Private Limited
iv.	Category/Sub-Category of the Company	Company Limited by shares / Indian Non-Government Company
v.	Address of the Registered office and contact details	1-1-27/37, Ashok Manoj Nagar, Kapra, Hyderabad – 500062 Ph. No: +91 72070 34662
vi.	Whether listed company	Yes/No
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Not applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code(2008) of the Product /	% to total turnover of the company
1	Telecom Construction services	42202	15%
2	Telecom Maintenance Services	42202	47%
3	Fly ash Blocks / Bricks	23912	07%
4	Manufacture of metal frameworks for construction of towers, masts, etc.	25112	11%
5	Solar MW Project implementation works	42201	17%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1.	Smartbrix Infra Technologies Private Limited	U36999AP2017PTC106508	Subsidiary	99.99	2(46)
2.	Bondada Abodes Private Limited (formerly known as Proaxive Tech Solutions Private Limited)	U45100TG2018PTC122820	Subsidiary	100	2(46)

2. Non Institutions									
a) Bodies Corp. (i) Indian (ii) Overseas									
b) Individuals (i) Individual shareholders holding nominal share capital up to Rs. 1 lakh (ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh									
c) Others(Specify)									
Sub-total(B)(2)	-	-	-	-	-	-	-	-	
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	-	-	-	-	-	-	-	
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	
Grand Total (A+B+C)	-	8,20,000	8,20,000	100	-	8,20,000	8,20,000	100	

ii. Shareholding of Promoters/ Directors

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during year
		No. of Shares	% of total Shares of the compan	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1.	Bondada Raghavendra	5,26,000	64.15	-	5,26,000	64.15	-	-
2.	Bondada Neelima	1,14,000	13.90	-	1,14,000	13.90	-	-
3.	Baratam Satyanarayana	1,00,000	12.20	-	1,00,000	12.20	-	-
	Total	7,40,000	90.25	-	7,40,000	90.25	-	-

iii. **Change in Promoters' Shareholding (please specify, if there is no change)** Nil

Sl. No.		Shareholding				Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	Date	Reason	No. of shares	% of total shares of the company

iv. **Shareholding Pattern of top ten Shareholders: (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl. No.		Shareholding		Cumulative Shareholding during the year		
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
1	Gopa Veera Sai Tirupathi Rao					
	At the beginning of the year	20,000	2.43	20,000	2.43	
	Date wise Increase /Decrease in Promoters Share-holding during the year	-		-		
	At the End of the year	20,000	2.43	20,000	2.43	
2	Dutta Uma Maheswara Rao					
	At the beginning of the year	30,000	3.66	30,000	3.66	
	Date wise Increase/ Decrease in Promoters Shareholding during the year	-		-		
	At the End of the year	30,000	3.66	30,000	3.66	
3	Marumokham Venkata Durga Prasad					
	At the beginning of the year	30,000	3.66	30,000	3.66	
	Date wise Increase/ Decrease in Promoters Shareholding during the year	-		-		
	At the End of the year	30,000	3.66	30,000	3.66	

v. Shareholding of Directors and Key Managerial Personnel:

Sl. No.		Shareholding				Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	Date	Reason	No. of shares	% of total shares of the company
1	Bondada Raghavendra Rao						
	At the beginning of the year	5,26,000	64.15			5,26,000	64.15
	Date wise Increase/ Decrease in Promoters Shareholding during the year	-	-			-	-
	At the End of the year	5,26,000	64.15			5,26,000	64.15
2	Bondada Neelima						
	At the beginning of the year	1,14,000	13.90			1,14,000	13.90
	Date wise Increase/ Decrease in Promoters Shareholding during the year	-	-			-	-
	At the End of the year	1,14,000	13.90			1,14,000	13.90
3	Baratam Satyanarayana						
	At the beginning of the year	1,00,000	12.20			1,00,000	12.20
	Date wise Increase/ Decrease in Promoters Shareholding during the year	-	-			-	-
	At the End of the year	1,00,000	12.20			1,00,000	12.20

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2,84,51,301	4,10,72,704	-	6,95,24,005
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	2,84,51,301	4,10,72,704	-	6,95,24,005
Change in Indebtedness during the financial year				
- Addition	3,10,42,349	81,41,247	-	3,91,83,596
- Reduction	-	-	-	-
Net Change	3,10,42,349	81,41,247	-	3,91,83,596
Indebtedness at the end of the financial year				
i) Principal Amount	5,94,93,650	4,92,13,951	-	10,87,07,601
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	5,94,93,650	4,92,13,951	-	10,87,07,601

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		B Raghavendra Rao	B Satyanarayana	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	10,81,692	10,81,692	21,63,384
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify	18,00,000	12,00,000	30,00,000
5	Others, please specify (Bonus)	-	-	-
	Total(A)	28,81,692	28,81,692	51,63,384
	Ceiling as per the Act	N.A	N.A	N.A

B. Remuneration to other directors:**Nil**

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
	<u>Independent Directors</u> ·Fee for attending board / committee meetings ·Commission ·Others, please specify					
	Total(1)					
	<u>Other Non-Executive Directors</u> ·Fee for attending board / committee meetings ·Commission ·Others, please specify					
	Total(2)					
	Total(B)=(1+2)					
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD**Nil**

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a)Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b)Value of perquisites u/s 17(2)Income-tax Act, 1961 (c)Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2.	Stock Option				
3.	Sweat Equity				
4.	Commission - as % of profit -others, specify...				
5.	Others, please specify				
6.	Total				

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:**Nil**

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority[RD /NCLT/Court]	Appeal made. If any (give details)
A. Company					
Penalty					
Punishment					
Compounding					
B. Directors					
Penalty					
Punishment					
Compounding					
C. Other Officers In Default					
Penalty					
Punishment					
Compounding					

For and on behalf of the Board
Bondada Engineering Private Limited
CIN: U28910TG2012PTC080018

Place: Hyderabad
Date: 04-Nov-2021

Sd/-
B Raghavendra Rao
Whole-time Director
DIN: 01883766

Sd/-
B Satyanarayana
Whole-time Director
DIN: 02610755

INDEPENDENT AUDITOR'S REPORT

**To the Members of
Bondada Engineering Private Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Bondada Engineering Private Limited ("the Company"), which comprise the balance sheet as at 31st March, 2021 and the statement of profit and loss, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2021;
- b) in the case of the Profit and Loss statement, of the profit for the year ended on that date;
- c) in the case of the cash flow statement, of the cash flows for the year ended on that date.

Key Audit Matters

Key audit matters are those matters that in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. There are no key audit matters to report for the year under audit.

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

Responsibilities of Management and Those Charged with Governance 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 accounting Standards 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and

the operating effectiveness of such controls.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure-A**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the

Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- (e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors 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 the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure-B**”.
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations as on 31st March’2021, on its financial position in its standalone financial statements – Refer **Note No - 30** to the standalone financial statements;
 - ii. The Company has made adequate provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **LALITH PRASAD AND CO.,**
Chartered Accountants
Firm’s Registration No. 08089S

Sd/-

S. Lalith Prasad
Partner
Membership No. 23665

UDIN: 22023665AAAAA9208

Place: Hyderabad
Date: 04-Nov-2021

Annexure-A to the Independent Auditors' Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the stand alone financial statements of the Company for the year ended March 31, 2021.

1. In respect of Fixed Assets:

(a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.

(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, title deeds of immovable property are held in the name of the company.

2. In respect of Inventories:

a. As explained to us, inventories have been physically verified during the year by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable.

b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.

c. In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. Discrepancies noticed on physical verification of stocks by the management as compared to book records were appropriately dealt in preparing the books of accounts.

3. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has granted loans, secured or unsecured, to a wholly owned subsidiary company listed in the register maintained under Section 189 of the Companies Act 2013 during the year under review and the terms of repayment are not prejudicial to the interest of the company.

4. In respect of loans, investments, guarantees and securities the provisions of section 185 and 186 of the Companies Act, 2013 have been duly complied with.

5. The Company has not accepted any deposits from the public covered under Section 73 of Companies Act 2013.
6. We have broadly reviewed the records maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under sub-section 1 of Section 148 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.
7. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Goods and Service Tax, Wealth Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2021 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no amounts payable in respect of income tax, wealth tax, Goods and Service Tax, customs duty and excise duty which have not been deposited on account of any disputes.
8. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of loans or borrowings to financial institutions and does not have any dues to bank and there are no debenture holders.
9. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments.
10. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

14. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment of shares during the year.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **LALITH PRASAD AND CO.,**
Chartered Accountants
Firm's Registration No. 08089S

Sd/-
S. Lalith Prasad
Partner
Membership No. 23665

UDIN: 22023665AAAAAA9208

Place: Hyderabad
Date: 04-Nov-2020

Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of Bondada Engineering Private Limited ("the Company") as of 31 March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 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 **LALITH PRASAD AND CO.,**
Chartered Accountants
Firm's Registration No. 08089S

Sd/-

S. Lalith Prasad
Partner
Membership No. 23665

UDIN: 22023665AAAAAA9208

Place: Hyderabad
Date: 04-Nov-2021

BONDADA ENGINEERING PRIVATE LIMITED			
Balance Sheet as at 31st March, 2021			
(All amounts in Indian Rupees, except share data and where otherwise stated)			
Particulars	Note No.	As at 31st Mar, 2021 Amount (Rs.)	As at 31 March, 2020 Amount (Rs.)
I. EQUITY AND LIABILITIES			
(1). Shareholders' funds			
(a) Share capital	2	82,00,000	82,00,000
(b) Reserves and surplus	3	47,55,22,954	38,17,88,068
		48,37,22,954	38,99,88,068
(2). Non-current liabilities			
(a) Long term borrowings	4	6,11,60,726	4,91,22,373
(b) Long term provisions	5	1,63,30,852	81,38,800
(c) Deferred tax liability	6	-	17,52,645
		7,74,91,578	5,90,13,819
(3). Current liabilities			
(a) Short term borrowings	7	40,54,71,026	35,42,23,887
(b) Trade Payables	8	33,86,31,377	29,68,46,761
(c) Short-term provisions	9	71,61,960	65,75,723
(d) Others current liabilities	10	35,91,01,795	29,37,82,102
		1,11,03,66,158	95,14,28,473
TOTAL		1,67,15,80,690	1,40,04,30,360
II. ASSETS			
(1). Non-current assets			
(a) Property, Plant & Equipment Tangible assets (Net Block)	11	4,60,13,545	13,01,36,655
(b) Long-term loans and advances	12	3,59,43,856	84,96,573
(c) Investments	13	10,99,990	10,99,990
(d) Deferred tax Asset	6	59,29,703	-
		8,89,87,094	13,97,33,218
(2). Current assets			
(a) Inventories	14	53,09,24,664	35,62,08,675
(b) Trade receivables	15	80,40,33,597	78,60,53,460
(c) Cash and cash equivalents	16	4,74,31,722	86,78,315
(d) Short-term loans and advances	17	20,02,03,613	10,97,56,692
		1,58,25,93,596	1,26,06,97,143
Significant accounting policies Notes on financial statements	1 2-32		
TOTAL		1,67,15,80,690	1,40,04,30,360
The notes are an integral part of these financial statements.			
This is the Balance Sheet referred to in our Report of even date.			
For LALITH PRASAD AND CO., Chartered Accountants Firm's Registration No. 080895		For and on behalf of the Board of Directors Bondada Engineering Private Limited CIN: U28910TG2012PTC080018	
Sd/- S. Lalith Prasad Partner Membership No. 23665	Sd/- B. Raghavendra Rao Director DIN : 01883766	Sd/- B. Satyanarayana Director DIN : 02610755	
Place : Hyderabad Date : 04-Nov-21			

BONDADA ENGINEERING PRIVATE LIMITED				
Statement of Profit and Loss for the period ended 31st March, 2021				
(All amounts in Indian Rupees, except share data and where otherwise stated)				
Particulars		Note No.	Year ended 31st March, 2021 Amount (Rs.)	Year ended 31st March, 2020 Amount (Rs.)
REVENUE				
I.	Revenue from operations	18	2,87,10,38,800	2,29,40,28,330
II.	Other Income	19	1,22,99,144	8,43,212
III.	Total Revenue (I + II)		2,88,33,37,944	2,29,48,71,542
EXPENSES				
IV.	(a) Cost of materials consumed	20	72,95,09,860	70,77,14,399
	(b) Operating expenses	21	1,22,93,20,602	98,92,09,382
	(c) Employee Benefits expenses	22	69,46,63,785	36,99,71,660
	(d) Finance costs	23	3,84,03,487	2,35,06,027
	(e) Depreciation	11	1,96,15,660	2,16,13,700
	(f) Administration and other expenses	24	5,38,52,991	4,31,08,046
	Total Expenses		2,76,53,66,386	2,15,51,23,215
V	Profit before exceptional & extraordinary items and tax (III - IV)		11,79,71,559	13,97,48,327
VI	Exceptional Items		-	-
VII	Profit before extraordinary items and tax (V - VI)		11,79,71,559	13,97,48,327
VIII	Extraordinary Items		-	-
IX	Profit before tax (VII - VIII)		11,79,71,559	13,97,48,327
X	Tax expense:			
	(1) Current tax		3,19,19,022	3,92,03,880
	(2) Deferred Tax Asset/(Liability)		76,82,348	18,09,696
XI	Profit after Tax for the period from operations (VII - VIII)		9,37,34,885	10,23,54,143
XII	Profit from discontinuing operations		3,63,20,546	-
XIII	Tax expense of discontinuing operations		1,00,32,434	-
XIV	Profit after Tax from Discontinuing operations (XII - XIII)		2,62,88,112	-
XV	Profit after Tax for the year (XI)		9,37,34,885	10,23,54,143
XVI	Earning per equity share:			
	Basic & Diluted	26	114.31	124.82
	Notes to Financial Statements	2-32		

The notes are an integral part of these financial statements.

This is the Profit & Loss Account referred to in our Report of even date.

For **LALITH PRASAD AND CO.,**
Chartered Accountants
Firm's Registration No. 08089S

For and on behalf of the Board of Directors
Bondada Engineering Private Limited
CIN: U28910TG2012PTC080018

Sd/-
S. Lalith Prasad
Partner
Membership No. 23665

Sd/-
B. Raghavendra Rao
Director
DIN - 01883766

Sd/-
B. Satyanarayana
Director
DIN : 02610755

Place Hyderabad
Date 04-Nov-21

BONDADA ENGINEERING PRIVATE LIMITED		
Cash Flow Statement for the year ended 31st March, 2021		
(All amounts in Indian Rupees, except share data and where otherwise stated)		
Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
I. Cash flows from Operating Activities		
Net profit before taxation:	11,79,71,559	13,97,48,327
Adjustments for operating activities:		
Depreciation	1,96,15,660	2,16,13,700
Profit/Loss on sale of fixed Assets and Assets written off		(3,08,241)
Interest Income	(2,87,362)	(4,98,125)
Interest Expense	3,62,30,411	2,03,66,329
Operating profit before working capital changes	17,35,30,268	18,09,21,990
Adjustments for :		
Decrease/(increase) in trade receivables	(1,79,80,136)	(33,05,71,746)
Decrease/(increase) in inventories	(17,47,15,989)	(6,12,98,320)
Decrease/(increase) in loans and advances	(9,04,46,920)	(1,29,13,400)
(Decrease)/increase in trade Payables	4,17,84,616	(1,31,80,332)
(Decrease)/increase in provisions	81,92,052	26,42,761
(Decrease)/Increase in liabilities & provisions	3,39,86,908	5,99,99,175
Net cash from/ (used in) operating activities (A)	(2,56,49,201)	(17,43,99,872)
II. Cash flows from investing activities		
Security deposits (Rent ,Security and Electricity)	(2,74,47,283)	31,15,358
Purchase of fixed assets	(69,51,613)	(1,52,87,392)
Proceeds on sale of fixed Assets	7,14,59,064	30,58,611
Investments	-	-
Interest received on Deposits	2,87,362	4,98,125
Net cash from/ (used in) investing activities (B)	3,73,47,530	(86,15,298)
III. Cash flows from financing activities		
Receipt/payment borrowings		
Proceeds from Borrowings	6,32,85,491	14,25,10,294
Interest paid	(3,62,30,411)	(2,03,66,329)
Net cash from/ (used in) financing activities (C)	2,70,55,080	12,21,43,965
Net increase in cash and cash equivalents (A+B+C)	3,87,53,409	(6,08,71,205)
Cash and Bank balances at the begining of the year	86,78,314	6,95,49,519
Cash and Bank balances at the end of the year	4,74,31,723	86,78,314
This is the Cash Flow Statement referred to in our Report of even date.		
As per our report attached		
For LALITH PRASAD AND CO.,		For and on behalf of the Board of Directors
Chartered Accountants		Bondada Engineering Private Limited
Firm's Registration No. 08089S		CIN: U28910TG2012PTC080018
Sd/-	Sd/-	Sd/-
S. Lalith Prasad	B. Raghavendra Rao	B. Satyanarayana
Partner	Director	Director
Membership No. 23665	DIN - 01883766	DIN - 02610755
Place : Hyderabad		
Date : 04-Nov-2021		

BONDADA ENGINEERING PRIVATE LIMITED
Notes to financial statements for the year ended 31 March 2021
(All amounts in Indian rupees, except share data and unless otherwise stated)

Reporting Entity Overview

Bondada Engineering Private Limited (the Company) is a Private Limited company domiciled and incorporated in India on 29th March'2012, under Companies Act, 1956. Its Registered Office is located at D. No. 1-1-27/37, Ashok Manoj Nagar, Kapra, Hyderabad. The Company is engaged in the business of Civil, Mechanical, Electrical, O&M Works, Tower Manufacturing, UPVC Windows, and Flyash Blocks. The Company has two subsidiary companies SmartBrix Infra Technologies Private Limited and Proaxive Tech Solutions Private Limited.

Note 1: Significant accounting policies

I. Basis of preparation of financial statements

The Financial Statements have been prepared in accordance with the generally accepted accounting principles in India. The Company has prepared these financial statements under the historical cost convention on accrual basis to comply in all material respects with the Accounting Standards specified under section 133 of the Companies Act, 2013 read with Rule-7 of the Companies (Accounts) Rules, 2015. The accounting policies have been consistently applied by the Company. All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle. The Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

II. Current/non-current classification

- The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification. An asset is classified as current when it satisfies any of the following criteria;
 - ✓ It is expected to be realized or intended to be sold or consumed in normal operating cycle
 - ✓ It is held primarily for the purpose of trading
 - ✓ It is expected to be realized within twelve months after the reporting period, or
 - ✓ Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

- A liability is current when it satisfies any of the following criteria;
 - ✓ It is expected to be settled in normal operating cycle
 - ✓ It is held primarily for the purpose of trading
 - ✓ It is due to be settled within 12 Months after the reporting period, or

BONDADA ENGINEERING PRIVATE LIMITED
Notes to financial statements for the year ended 31 March 2021
(All amounts in Indian rupees, except share data and unless otherwise stated)

- ✓ There is no unconditional right to defer the settlement of the liability for at least 12 Months after reporting period
- Current liabilities include the current portion of long term liabilities. The Company classifies all other liabilities as non-current
- Deferred Tax Assets and Liabilities are classified as Non-Current Assets and Liabilities
- The Operating cycle is the time between the acquisition of assets and their realization in cash and cash equivalents. The Company has identified 12 Months as its operating cycle.

III. Significant accounting estimates and assumptions

The preparation of the Company's financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

IV. Property, Plant and Equipment

Recognition and Measurement

Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Cost includes all expenses related to acquisition and installation of the concerned assets and any attributable cost of bringing the asset to the condition of its intended use. The cost of self-constructed assets includes the cost of materials and direct services, any other costs directly attributable to bringing the assets to its working condition for their intended use.

All other expenses on existing Fixed Assets, including day to day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

The residual values, useful lives and methods of depreciation of Property, plant and equipment are reviewed at each reporting date and adjusted prospectively, if applicable.

BONDADA ENGINEERING PRIVATE LIMITED
Notes to financial statements for the year ended 31 March 2021
(All amounts in Indian rupees, except share data and unless otherwise stated)

Depreciation

Depreciation on property, plant and equipment have been provided under the Written down Value method, based on useful lives of assets as estimated by the management or the useful lives of the assets as prescribed in Schedule-II to the Companies Act 2013, whichever is lower. Depreciation is charged on a monthly pro-rata basis for assets purchased/sold during the year.

Following are the estimated useful lives of various category of assets used:

Asset	Useful Life in Years
Site Equipment	5
Plant & Machinery	15
Furniture & Fittings	10
Computers & Accessories	3
Office Equipment	5
Vehicles	8
Buildings	30

V. Impairment of Assets

The company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the assets. If such recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount of asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

VI. Inventories

Inventories are valued as follows:

Raw materials and stores & spares	- Lower of Cost or Net Realisable Value
Work-in-process	- Based on the amount of expenditure incurred and as certified by project managers

VII. Investments

Investments are classified as long-term in accordance with Accounting Standard -13 on "Accounting for Investments" issued by the Institute of Chartered Accountants of India. Long term and unquoted investments are carried at cost.

VIII. Cash and Cash equivalents

Cash and Cash equivalents in the Balance Sheet comprise cash on hand, cash at bank and short term deposits in banks, which are subject to an insignificant risk of changes in value

IX. Revenue recognition

- **Sale of Goods and Services:** Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and revenue can be reliably measured. Revenue comprises consideration received or receivable for rendering of services and work performed in the ordinary course of the Company's activities excluding taxes collected on behalf of government.
- **Other Income:** Other Income comprises Interest Income and gain/loss on sale of Property, plant and equipment. Any gain or loss arising on de-recognition of property, plant and equipment is calculated as the difference between the net disposal proceeds and the carrying amount of the asset.
- Incentives from Department of Industries recognized based on the reasonable assurance from the Govt of Andhra Pradesh

X. Borrowing Cost

Borrowing costs that are directly attributable to the acquisition of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset till the date it is put to use.

Borrowing costs are not capitalised where the Property, plant and equipment do not take a substantial period of time to get ready for its intended use.

XI. Earnings per share

The Company reports basic Earnings per Share (EPS) in accordance with Accounting Standard 20 on "Earnings per Share". Basic EPS is computed by dividing the profit for the year attributable to the shareholders of the company by the weighted average number of equity shares outstanding as at the end of reporting period.

Diluted EPS amounts are calculated by dividing the profit attributable to the shareholders of the company (after adjusting for interest on the convertible preference shares, if any) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

XII. Income Taxes

Tax expense for the year comprises current tax and deferred tax.

Current Tax:

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted at the reporting date.

Deferred tax:

Deferred tax charge or benefit is the tax effects of timing difference between accounting income and taxable income for the year. The deferred tax charge or benefit and corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantially enacted by the balance sheet date.

Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax asset are recognized only if there is a virtual certainty of realization of such assets.

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

Minimum Alternative Tax:

After making adjustments for book profits as defined in Income Tax Act, 1961, Minimum Alternative Tax has to be paid in cases where it is higher than current tax.

XIII. Leases

Leases that do not transfer substantially all the risks and rewards of ownership are classified as operating leases and recorded as expense as and when the payments are made over the lease term.

XIV. Employee Benefits

a) Short term employee benefits:

All employee benefits expected to be settled wholly within twelve months of rendering the services are classified as short-term employee benefits. Benefits such as salaries,

BONDADA ENGINEERING PRIVATE LIMITED

Notes to financial statements for the year ended 31 March 2021

(All amounts in Indian rupees, except share data and unless otherwise stated)

wages, and bonus, etc., are recognized in the Statement of Profit and Loss in the period in which the employee renders the related service.

b) Post-employment benefit:

The Company deposits the contributions for provident fund and Employee State Insurance to the appropriate government authorities and these contributions are recognized in the statement of Profit & Loss in the financial year to which they relate.

XV. Provisions

A provision is recognized when the Company has a present obligation as a result of past event i.e., it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation in respect of which a reliable estimate of the amount of the obligation can be made.

Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each reporting date and adjusted to reflect the current best estimates. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

XVI. Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

XVII. Foreign Currency Transactions

Foreign currency transactions are accounted for at the rates prevailing on the date of the transaction. Exchange differences, if any arising out of transactions settled during the year are recognized in the statement of profit and loss.

Monetary assets and liabilities denoted in foreign currencies as at the balance sheet date are translated at the closing exchange rates. Resultant exchange differences if any, are recognized in the statement of profit and loss and related assets and liabilities are accordingly restated in the balance sheet.

BONDADA ENGINEERING PRIVATE LIMITED
Notes to financial statements for the year ended 31 March 2021
 (All amounts in Indian rupees, except share data and unless otherwise stated)

Non-monetary items which are carried in terms of historical cost denominated in foreign currency at the balance sheet date are reported using exchange rates at the date of the transactions.

XVIII. Segment Information

The Company Operates in Two Segments:

1. **Manufacture:** Tower Structures, uPVC Windows & Flyash Blocks
2. **Execution of Projects:** Tower foundation, electrical and installation services and O&M, which is its primary segment. Further, as the company does not operate in more than one geographical segment (outside India), the relevant disclosures are not applicable to the company.

(INR Lakhs)			
Sl. No.	Particulars	Manufacturing	Projects
1	Revenue	5,834.33	22,999.04
	Less:		
	Direct Costs	5,142.74	14,445.56
	Employee Benefit Expenses	277.99	6,668.64
	Finance Costs	34.54	349.50
	Depreciation	143.52	52.63
	Admin & Other Expenses	77.31	461.22
	Profit/(loss)	158.23	1021.49

BONDADA ENGINEERING PRIVATE LIMITED
NOTES TO ACCOUNTS
for the period ended on 31st March, 2021

2	Description	No. of Shares	As at 31.03.2021 Amount (Rs.)	No. of Shares	As at 31.03.2020 Amount (Rs.)
	Share Capital				
	Equity Share Capital:				
	Authorised Share capital	10,00,000	1,00,00,000	10,00,000	1,00,00,000
	Issued, subscribed & fully paid share capital	8,20,000	82,00,000	8,20,000	82,00,000
	8,20,000 (Previous Year 8,20,000) Equity				
	Share application money received		-		-
			82,00,000		82,00,000
2.1	Terms/rights attached to equity shares				
	The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.				
2.2	Equity shareholders holding more than 5% of equity shares along with the number of equity shares held is as given below:	Equity shares with voting rights and Number of Shares (2020-21)	Equity shares with voting rights and Number of Shares (2019-20)		
	Bondada Raghavendra Rao	5,26,000 Shares (64.15%)	5,26,000 Shares (64.15%)		
	Bondada Neelima	1,14,000 Shares (13.90%)	1,14,000 Shares (13.90%)		
	Baratam Satyanarayana	1,00,000 Shares (12.20%)	1,00,000 Shares (12.20%)		
3	Reserves and Surplus	2020-21 (INR)		2019-20 (INR)	
	Opening Balance	38,17,88,068		27,94,33,925	
	Add: Profit for the period	9,37,34,885		10,23,54,143	
	Add: Capital Reserve	-		-	
			47,55,22,954		38,17,88,068
4	Long Term Borrowings	2020-21 (INR)		2019-20 (INR)	
	Secured				
	Vehicle loans	47,44,234		28,70,451	
	Federal bank term loan	2,39,77,186		1,66,46,490	
	Unsecured				
	Loan from HDFC Bank	-		37,06,486	
	Loan from Directors	3,24,39,306		2,58,98,946	
			6,11,60,726		4,91,22,373

5	Long-term provisions	2020-21 (INR)		2019-20 (INR)	
	Provision for gratuity	26,23,576		30,27,753	
	Provision for EL Encashment	1,37,07,276		51,11,047	
			1,63,30,852		81,38,800
6	Deferred Tax Liability	2020-21 (INR)		2019-20 (INR)	
	Opening Balance	17,52,645		35,62,341	
	Current year	(76,82,348)		(18,09,696)	
			(59,29,703)		17,52,645
7	Short-term Borrowings	2020-21 (INR)		2019-20 (INR)	
	Loans repayable on Demand - CC from federal bank *	35,79,24,151		32,51,55,421	
	Yes Bank Limited	1,30,68,159		96,31,455	
	Loan from Kotak Mahindra Bank	-		69,80,383	
	HDFC Bank Ltd	37,06,486		35,22,269	
	Vehicle loan - Current Maturity	12,33,244		6,01,027	
	Federal bank term loan - Current Maturity	2,95,38,986		83,33,332	
			40,54,71,026		35,42,23,887
8	Trade Payables	2020-21 (INR)		2019-20 (INR)	
	Due to Others:				
	Creditors for Services	21,97,76,924		18,96,95,177	
	Creditors for Supplies	11,42,54,248		10,22,14,100	
	Creditors for Capital Asset	21,82,618		20,78,301	
	Creditors for Expenses	24,17,588		28,59,183	
			33,86,31,377		29,68,46,761
9	Short-term provisions	2020-21 (INR)		2019-20 (INR)	
	<u>Provision for Employees' Benefits</u>				
	Provision for Bonus	26,50,440		21,30,483	
	Provision for gratuity (current portion)	11,43,150		10,76,870	
	Provision for EL Encashment (current portion)	33,68,370		33,68,370	
			71,61,960		65,75,723
10	Other current liabilities	2020-21 (INR)		2019-20 (INR)	
	Advance from customers	3,13,16,631		3,49,58,855	
	Statutory remittances	3,56,22,572		3,06,68,222	
	Provision for Income Tax	5,84,02,842		3,92,03,880	
	Outstanding liability	16,03,62,761		10,85,38,414	
	Salary / Wages and Other Payables	7,33,96,990		8,04,12,731	
			35,91,01,795		29,37,82,102

BONDADA ENGINEERING PRIVATE LIMITED
For the period ended on 31st March, 2021

11	PROPERTY, PLANT & EQUIPMENT										Amount (INR)	
	AT COST					DEPRECIATION					NET BLOCK	
Fixed Assets	As at 1st Apr-20	Additions	Deletions	As at 31st Mar-21	As at 1st Apr-20	Charge for the Year	On Disposals	As at 31st Mar-21	As at 31st Mar-21	As at 31st Mar-20		
Tangible:												
Plant and Machinery	12,51,97,379	65,482	11,15,60,243	1,37,02,618	5,60,61,634	1,25,71,933	6,37,50,757	48,82,810	88,19,808	8,27,64,914		
Furniture and Fixtures	52,44,262	9,200	9,75,313	42,78,149	34,29,750	4,72,967	6,72,226	32,30,492	10,47,657	23,81,490		
Office Equipments	24,42,934	1,78,757	4,17,586	22,04,105	18,65,915	2,89,862	3,30,953	18,24,825	3,79,280	9,17,234		
Buildings	4,41,19,443	15,302	3,35,63,989	1,05,70,756	1,23,61,367	30,64,209	1,03,14,248	51,11,328	54,59,427	3,21,70,222		
Computers & Accessories	56,49,718	2,69,700	1,33,395	57,86,023	51,34,681	2,75,310	1,23,280	52,86,711	4,99,312	12,42,550		
Vehicles	48,34,428	36,85,849	-	85,20,277	6,73,345	16,43,197	-	23,16,542	62,03,735	8,03,923		
Site Equipment	94,55,645	27,27,323	-	1,21,82,968	74,48,622	12,98,181	-	87,46,803	34,36,165	24,30,406		
Land	2,01,68,160	-	-	2,01,68,160	-	-	-	-	2,01,68,160	1,65,02,596		
Total - Tangible	21,71,11,969	69,51,613	14,66,50,527	7,74,13,055	8,69,75,314	1,96,15,660	7,51,91,464	3,13,99,510	4,60,13,545	13,92,13,335		
Previous Year	15,68,65,425	6,84,87,212	1,89,78,648	20,63,73,989	4,70,91,666	2,04,04,926	3,35,938	6,71,60,654	13,92,13,335	10,97,73,759		
Intangible:												
Total - Intangible												
Previous Year												
Grand Total	21,71,11,969	69,51,613	14,66,50,527	7,74,13,055	8,69,75,314	1,96,15,660	7,51,91,464	3,13,99,510	4,60,13,545	13,92,13,335		
Previous Year	15,68,65,425	6,84,87,212	1,89,78,648	20,63,73,989	4,70,91,666	2,04,04,926	3,35,938	6,71,60,654	13,92,13,335	10,97,73,759		

12	Long Term Loans and Advances	2020-21 (INR)		2019-20 (INR)	
	Loan to Subsidiary Company	3,53,22,281		55,75,671	
	Electricity Deposit	2,35,258		15,01,585	
	Other Deposits	2,68,750		6,01,750	
	Rent Deposits	-		7,00,000	
	Sales Tax Deposits	1,17,567		1,17,567	
			3,59,43,856		84,96,573
13	Investments	2020-21 (INR)		2019-20 (INR)	
	Bondada Abodes Pvt Ltd	10,00,000		10,00,000	
	Smartbrix Infra Technologies Pvt Ltd	99,990		99,990	
				10,99,990	
14	Closing Inventory	2020-21 (INR)		2019-20 (INR)	
	Raw Material	6,36,34,489		4,79,44,788	
	Work-in-progress	44,94,28,842		25,73,60,069	
	Finished Goods	1,78,61,333		5,09,03,818	
				53,09,24,664	
15	Trade Receivables	2020-21 (INR)		2019-20 (INR)	
	(unsecured - Considered good, unless otherwise stated)				
	<u>(A) Trade receivables</u>				
	Considered good				
	Less than 6 Months old	72,11,71,495		66,24,01,779	
	Others	8,28,62,102		12,36,51,681	
	Doubtful	-		-	
	Sub-Total	80,40,33,597		78,60,53,460	
	Total trade receivable (A)		80,40,33,597		78,60,53,460
			80,40,33,597		78,60,53,460
16	Cash and Bank balances	2020-21 (INR)		2019-20 (INR)	
	Cash on hand	3,25,657		1,80,657	
	Balances with banks				
	On Current accounts	4,37,56,933		28,70,909	
	Margin Money Deposits with Banks	33,49,132		56,26,749	
			4,74,31,722		86,78,315
17	Short term loans and advances	2020-21 (INR)		2019-20 (INR)	
	Advances to Employees	1,03,13,500		1,20,47,348	
	Balances with Government Authorities	7,66,24,926		7,08,55,251	
	Recoverable Expenses	1,46,67,654		87,48,803	
	Rent deposits	42,50,422		1,48,78,222	
	Prepaid expenses	21,84,401		21,23,844	
	Pre Operative Expenses	-		9,73,099	
	Interest Accrued, but not due	1,62,710		1,30,125	
	Sale Consideration - Smartbrix	7,70,00,000		-	
	Sale Consideration - Abodes	1,50,00,000		-	
				20,02,03,613	

18	Revenue from Operations	2020-21 (INR)		2019-20 (INR)	
	Revenue from Execution of Projects	90,48,02,487		89,17,20,980	
	Revenue from Job work Services	68,83,930		3,09,63,924	
	Revenue From Services	1,39,48,14,666		61,83,65,408	
	Revenue from Manufactured Products	54,52,41,397		75,08,08,941	
	Revenue from Sale of Scrap	1,92,96,320		21,69,078	
		2,87,10,38,800		2,29,40,28,330	
19	Other Income	2020-21 (INR)		2019-20 (INR)	
	Interest income	2,87,362		4,98,125	
	Other Income	74		36,846	
	Profit from Sale of Asset	-		3,08,241	
	Profit on Sale of Undertakings	1,20,11,708			
		1,22,99,144		8,43,212	
20	Cost of Material Consumed	2020-21 (INR)		2019-20 (INR)	
	Raw Material				
	Purchases	92,39,67,927		76,90,12,719	
	Opening Stock	4,79,44,788		6,28,76,953	
	Closing Stock	6,36,34,489		4,79,44,788	
		90,82,78,226		78,39,44,884	
20A	Accretion/Decretion of WIP and Finished Goods	2020-21 (INR)		2019-20 (INR)	
	Opening WIP & Finished Goods	30,82,63,887		23,20,33,402	
	Closing WIP & Finished Goods	48,70,32,252		30,82,63,887	
			(17,87,68,365)		(7,62,30,485)
	Total - (20 & 20A)		72,95,09,860		70,77,14,399
21	Operating Expenses	2020-21 (INR)		2019-20 (INR)	
	Civil Work Foundations	18,59,12,537		15,97,45,822	
	Conveyance	3,83,12,623		1,71,06,435	
	Design Expenses	28,17,468		42,08,069	
	Diesel and Petrol	36,29,271		1,99,74,414	
	Electrical works and installation	14,17,16,577		19,85,42,966	
	Electricity	77,80,559		89,85,408	
	Erection Expenses	91,92,799		1,82,91,616	
	ETP Charges	8,64,825		7,44,624	
	Fabrication Charges	1,28,81,105		1,86,29,921	
	Factory Machinery Rent	-		18,00,000	
	Factory Maintenance	21,50,634		19,97,446	
	Galvanising Expenses	69,88,132		57,06,089	
	Hire Charges	17,44,24,893		2,22,09,692	
	Insurance - Labour	2,12,158		2,29,642	
	Labour Charges	1,02,43,213		1,46,25,226	
	Loading and Unloading	1,00,29,803		1,35,83,417	
	O&M Service Cost	42,65,81,054		26,20,09,035	
	Other Operating Expenses	92,500		1,54,325	
	Preoperative Expenses Written off	9,72,650		9,72,646	
	Rent	1,55,05,314		1,61,54,553	
	Repairs and maintenance	32,58,811		27,65,900	
	Segregation Charges	11,04,855		8,42,584	
	Site Maintenance	78,93,048		47,24,860	
	Transportation	4,01,60,844		5,21,23,266	
	Soil Testing	4,85,270		29,45,528	
	Trenching & Ducting	12,29,78,852		13,63,45,634	
	Yard Shifting Expenses	31,30,807		37,90,266	
		1,22,93,20,602		98,92,09,382	

22	Employee Benefits Expense	2020-21 (INR)		2019-20 (INR)	
		Salaries and wages	63,63,67,154		35,20,90,169
Directors Remuneration	21,63,384		32,48,304		
Staff Welfare Expenses	42,03,599		20,13,040		
ESI	1,40,94,697		43,27,941		
PF	3,78,34,951		82,92,206		
		69,46,63,785		36,99,71,660	
22.1	As per Accounting Standard 15 "Employee Benefits", the disclosures of Employee Benefits as defined in the Accounting Standard are given below:				
	a) Defined Contribution Plans:				
	Provident Fund				
	The provident fund is operated by the Regional Provident Fund Commissioner. Under the scheme, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits. These funds are recognized by the Income tax authorities. The Company has recognized the above amounts in the Profit and Loss Account for the year.				
	b) Defined Benefit Plans :				
	a. Gratuity				
	b. Leave Encashment				
	Gratuity is payable to employees as per Payment of Gratuity Act. The Gratuity liability is not funded with any approved authority. Leave encashment is payable to eligible employees who have earned leaves, during the employment and/or on separation as per the company's policy. The Leave encashment liability is not funded with any approved authority.				
23	Finance Costs	2020-21 (INR)		2019-20 (INR)	
		Interest on Loans	79,62,763		80,45,959
	Bank Charges	2,65,201		15,335	
	Processing Charges	14,08,900		17,04,172	
	Interest on Overdraft	2,82,67,648		1,23,20,370	
	BG Commission and LC Charges	4,98,975		14,20,191	
		3,84,03,487		2,35,06,027	
24	Other Expenses:	2020-21 (INR)		2019-20 (INR)	
		Administrative Expenses			
	Consultancy Expenses	25,47,996		26,52,377	
	Conveyance	5,84,261		1,97,578	
	Transit House Maintenance	6,69,600		4,48,094	
	Insurance	6,06,313		2,42,607	
	Internet Expenses	12,57,783		9,64,827	
	Office Maintenance Expenses	21,45,599		37,11,807	
	CSR Expenses	26,85,253		21,36,145	
	Other Administrative Expenses	6,80,625		4,68,178	
	Postage and Courier	1,99,668		2,52,521	
	Printing and stationary	3,55,745		8,77,003	
	Rates and taxes	5,92,195		9,62,669	
	Rent	2,18,53,314		1,29,22,866	
	Repairs and maintenance	10,51,225		8,33,601	
	Security Charges	19,39,407		18,97,258	
	Telephone Expenses	34,58,385		13,95,651	
	Training Expenses	7,80,370		2,15,125	
	Travelling Expenditure	65,77,389		81,86,874	
	Selling Expenses				
	Advertisement	5,86,962		1,41,957	
	Sales Promotion	68,918		3,11,147	
	Other Selling Expenses	1,04,992		4,15,745	
	Debit Balances Written off	6,91,402		2,95,515	
	Commission	41,85,589		33,98,503	
	Payment to Auditors				
	Statutory Audit Fees	1,80,000		1,50,000	
	Tax Audit Fees	50,000		30,000	
		5,38,52,991		4,31,08,046	

BONDADA ENGINEERING PRIVATE LIMITED
Notes to financial statements for the year ended 31 March, 2021
 (All amounts in Indian rupees, except share data and unless otherwise stated)

25 Legal and professional charges include auditors' remuneration as given below:

	As at 31 March, 2021	As at 31 March, 2020
As an auditor	1,80,000	1,50,000
For reimbursement of expenses	-	-
Total	1,80,000	1,50,000

26 Earnings per share (EPS):

The computation of EPS is set out below:

	As at 31 March, 2021	As at 31 March, 2020
	Basic & diluted EPS	Basic & diluted EPS
Earnings		
Net Profit/(Loss) for the year	9,37,34,885	10,23,54,143
<u>Shares</u>		
Number of shares at the beginning of the year	8,20,000	8,20,000
Add: Shares issued during the year	0	0
Total number of equity shares outstanding at the end of the year	8,20,000	8,20,000
Weighted average number of equity shares outstanding during the year – Basic	8,20,000	8,20,000
Basic EPS (Rs.)	114.31	124.82
Weighted average number of equity shares outstanding during the year – Diluted	8,20,000	8,20,000
Diluted EPS (Rs.)	114.31	124.82

27 Leases:

Operating Lease Commitments:

The company has taken premises on lease under cancellable operating leases. These lease agreements are normally renewed on expiry. There are no restrictions placed upon the Company by entering into these leases and there are no subleases. The annual increments are expected to be in line with the expected general inflation to compensate the lessor for the expected inflationary cost increase.

BONDADA ENGINEERING PRIVATE LIMITED

Notes to financial statements for the year ended 31 March, 2021
(All amounts in Indian rupees, except share data and unless otherwise stated)

28 Terms of Borrowings:

Followings are the details of certain pertinent terms and conditions of the borrowings for the period ended 31st Mar'21.

Name of the Facility	Amount Outstanding		First Repayment Date	Period of Repayment / No of Instalments Paid
	Current Maturity	Long Term Maturity		
I.) Secured Loans				
A) Loans from Banks				
Term Loans (From Federal Bank)*	83,33,332	83,13,158	04-Apr-2017	24/16 Quarterly
HDFC Bank Ltd	37,06,486	0	06-Mar-2020	24/13 Monthly
Federal Bank Ltd	2,12,05,654	1,56,64,028	03-Mar-2020	13/9 Monthly
B) Vehicle Loans from Banks (Secured)				
Daimler Financials #	6,53,258	22,17,193	05-Feb-2020	36/14 Monthly
Federal Bank	5,79,986	25,27,041	23-Dec-2020	60/4 Monthly
Total (A+B)	3,44,78,716	2,87,21,420		
C) Working Capital Loans from Banks				
Working Capital (From Federal Bank)**	35,79,24,151.11		Renewal annually	Renewal annually
Total Working Capital	35,79,24,151.11			

* Loan taken against the collateral of Company & Directors property

** Secured by Hypothication of Stock and Receivables. The facility is repayable on demand.
Interest rate is @ 7.50%

Vehicle Loans are secured by way of hypothecation to bank.

29 Related Party Disclosures:

A. Key Management

- (a) Bondada Raghavendra Rao
- (b) Bondada Neelima
- (c) Baratam Satyanarayana

BONDADA ENGINEERING PRIVATE LIMITED

Notes to financial statements for the year ended 31 March, 2021

(All amounts in Indian rupees, except share data and unless otherwise stated)

B. List of Subsidiary Companies

- (a) Smartbrix Infra Technologies Private Limited - 99.99%
- (b) Bondada Abodes Private Limited - 100%
(formerly known as Proaxive Tech Solutions Private Limited)

C. Transaction with Related Parties during the year

(INR Lakhs)

Sl. No.	Name of Party	Nature of Transaction	Amount
1	B Raghavendra Rao	Remuneration	10.81
2	B Satyanarayana	Remuneration	10.81
3	B Raghavendra Rao	Rent	1.29
4	B Neelima	Rent	1.20
5	B Raghavendra Rao	Commission	18.00
6	B Satyanarayana	Commission	12.00

D. Outstanding balances as on 31st March, 2021 with Subsidiary Companies

(INR Lakhs)

Sl. No.	Name of Party	Nature of Transaction	Amount
1	SmartBrix Infra Technologies Pvt. Ltd.	Inter-company Balances	166.46
2	Bondada Abodes Private Limited (formerly known as Proaxive Tech Solutions Pvt. Ltd.)	Inter-company Balances	186.75

E. Outstanding balances as on 31st March, 2021 with Related parties are as follows

(INR Lakhs)

Sl. No.	Name of Party	Nature of Transaction	Amount
1	B Raghavendra Rao	Unsecured Loan	170.04
2	B Neelima	Unsecured Loan	11.75
3	B Satyanarayana	Unsecured Loan	142.60
4	B Raghavendra Rao	Commission Payable	23.47
5	B Satyanarayana	Commission Payable	10.55

30. Contingencies and Commitments

- a) **Income Tax:** The Company has ongoing dispute with Income Tax authorities relating to tax treatment of certain payments in FY 2015-16. As on 31st March'2021, there are matters and/or disputes pending in appeal amounting to **Rs. 12.37 Lakhs**. The company has applied for Vivad Se Viswas Scheme and the amount is yet to be paid to the Govt Exchequer.

BONDADA ENGINEERING PRIVATE LIMITED

Notes to financial statements for the year ended 31 March, 2021

(All amounts in Indian rupees, except share data and unless otherwise stated)

b) Bank Guarantees and Letter of Credits:

The Company has given guarantees and letters of credit aggregating to **Rs. 3.04 Crs** (March 31st 20, Rs. 3.54 Cr). Details of which are as follows;

- i) in favour of Bharti Infratel Limited for Rs. 1,00,000 (March'31st 2020: Rs. 1,00,000)
- ii) in favour of Indus Towers Limited for Rs. 20,00,000 (March'21st 2020: Rs. 20,00,000)
- iii) in favour of My Home Industries for Rs. 10,00,000 (March'31st 2020: Rs. 10,00,000)
- iv) in favour of Abhishek Re-Rolling Mills (I) Pvt Ltd for Rs. 1,51,75,950 (March'31st 2020: Rs. Nil)
- v) in favour of ITI Limited for Rs. 23,55,852 (March'31st 2021: Rs. Nil)
- vi) in favour of Reliance Corporate IT Park Ltd for Rs. 58,08,336 (March'31st 2020: Rs. 58,08,336)
- vii) in favour of Telesonic Networks Limited for Rs. 10,00,000 (March'31st 2020: Rs. Nil)
- viii) in favour of Zuari Cement Ltd for Rs. 10,00,000 (March'31st 2020: Rs. 10,00,000)
- ix) in favour of Divisional Engineer (Engg), O/o Principal General Manager for Rs. 19,57,900 (March'31st 2020: Rs. Nil)

31. Other disclosures and explanatory notes:

(A) Business Transfer Agreement of Flyash Bricks undertaking:

The Board of Directors of the **BONDADA ENGINEERING PRIVATE LIMITED** ("Holding Company) at its meeting held on 20-05-2021 had approved (A) a Business Transfer Agreement with **SMARTBRIX INFRA TECHNOLOGIES PRIVATE LIMITED** ("Subsidiary Company"). (B) Transfer of Flyash Bricks division of Bondada Engineering Private Limited to Smartbrix Infra Technologies Private Limited.

Pursuant to the Business Transfer Agreement approved by Bondada Engineering Private Limited on 20-05-2021, whereby the Flyash Bricks Division was transferred from the Holding company to the Subsidiary company, w.e.f. 31-03-2021, the effective date.

As per the Business Transfer Agreement, all assets and liabilities of the Flyash Bricks division of Holding company stand transferred to the subsidiary company from the effective date, including business, as a going concern. The employees of the Flyash division have also been moved to the Subsidiary company and consequently the employee related benefits and all contracts and agreements in relation to them have been taken over by the Subsidiary

BONDADA ENGINEERING PRIVATE LIMITED

Notes to financial statements for the year ended 31 March, 2021

(All amounts in Indian rupees, except share data and unless otherwise stated)

company. The Business Transfer Agreement has accordingly been given effect to in the financial statements as on the effective date.

Pursuant to the Business Transfer Agreement, the Holding company shall account for transfer of the division in its books as per the applicable accounting principles. It would inter alia include the following;

A) Assets and Liabilities of the Flyash Bricks undertaking transferred to and vested in the Subsidiary company shall be recorded at their carrying values as appearing in books of the Holding Company at the time of the Business Transfer effective date and in accordance with requirements of relevant accounting principles.

B) The difference, if any, between assets and liabilities transferred from Holding company shall be adjusted in Good will of Subsidiary company.

C) The company is in the process of Novation of all the assets and liabilities received under the Business Transfer Agreement

D) The Business Transfer Agreement has been taken place on a Going Concern Basis.

E) Owing to the Business Transfer transaction, the previous year figures (i.e. FY 2019-20) are not comparable.

(B) Business Transfer Agreement of uPVC undertaking:

The Board of Directors of the **BONDADA ENGINEERING PRIVATE LIMITED** ("Holding Company) at its meeting held on 20-05-2021 had approved (A) a Business Transfer Agreement with **BONDADA ABODES PRIVATE LIMITED** (formerly known as Proaxive Tech Solutions Pvt. Ltd.) ("Subsidiary Company"). (B) Slump sale of uPVC division of Bondada Engineering Private Limited to Bondada Abodes Private Limited (formerly known as Proaxive Tech Solutions Private Limited).

Pursuant to the Business Transfer Agreement approved by Bondada Engineering Private Limited on 20-05-2021, whereby the uPVC division was transferred from the Holding company to the Subsidiary company, w.e.f. 31-03-2021, the effective date.

As per the Business Transfer Agreement, all assets and liabilities of the uPVC division of transferor company stand transferred to the transferee company from the effective date. including business, as a going concern. The employees of the uPVC division have also been moved to the Subsidiary company and consequently the employee related benefits and all contracts and agreements in relation to them have been taken over by the Subsidiary company. The Business Transfer Agreement has accordingly been given effect to in the financial statements as on the effective date.

BONDADA ENGINEERING PRIVATE LIMITED

Notes to financial statements for the year ended 31 March, 2021

(All amounts in Indian rupees, except share data and unless otherwise stated)

Pursuant to the Business Transfer Agreement, the Holding company shall account for transfer of the division in its books as per the applicable accounting principles. It would inter alia include the following;

A) Assets and Liabilities of the uPVC undertaking transferred to and vested in the Subsidiary company shall be recorded at their carrying values as appearing in books of the Holding company at the time of the Business Transfer effective date and in accordance with requirements of relevant accounting principles.

B) The difference, if any, between assets and liabilities transferred from Holding company shall be adjusted in Good will of Subsidiary company.

C) The company is in the process of Novation of the assets and liabilities received under the Business transfer.

D) The Business Transfer Agreement has been taken place on a Going Concern Basis.

F) Owing to the Business Transfer transaction, the previous year figures (i.e. FY 2019-20) are not comparable.

32. Previous year figures have been regrouped/ reclassified, wherever necessary, to conform to this year's classification.

For **LALITH PRASAD AND CO.,**
Chartered Accountants

For and on behalf of the Board
BONDADA ENGINEERING PRIVATE LIMITED
CIN: U28910TG2012PTC080018

Sd/-
S. Lalith Prasad
Partner
M No.023665
FRN 008089S

Sd/-
B. Raghavendra Rao
Director
DIN: 01883766

Sd/-
B. Satyanarayana
Director
DIN: 02610755

Place: Hyderabad
Date: 04-Nov-2021