

19th Annual Report for
2023-24

SATTVA ENGINEERING
CONSTRUCTION PRIVATE
LIMITED

CORPORATE INFORMATION**Board of Directors****SESHADRI SANTHANAM**Whole-time Director
DIN: 00161517**SEKAR RAJAGOPAL**Whole-time Director
DIN: 00207519**Registered Office Address****SATTVA ENGINEERING CONSTRUCTION PRIVATE LIMITED****CIN: U45201TN2005PTC058383****GREAMS DUGAR, 4TH FLOOR, NORTH WING, OLD NO.149, NEW NO.64, GREAMS
ROAD, THOUSA, ND LIGHTS, Chennai, CHENNAI, Tamil Nadu, India, 600006****Email: sujatha@sattvaengg.in****Website: www.sattvaengg.in****Statutory Auditors****M/S. NATHAN & CO**

Chartered Accountants

Bankers:**UNION BANK OF INDIA****HDFC BANK LIMITED**

Sattva Engineering Construction Private Limited
(Regd. Office: GREAMS DUGAR, 4TH FLOOR, OLD NO.149, NEW NO.64, GREAMS ROAD,
THOUSAND LIGHTS, CHENNAI – 600006.)
CIN: U45201TN2005PTC058383
Email ID:sujatha@sattvaengg.in
Telephone:04428292303

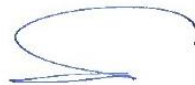
NOTICE OF THE 19TH ANNUAL GENERAL MEETING

Notice is hereby given that the 19th Annual General Meeting of the Company will be held on Monday, the 30th September, 2024 at 11.30 AM, at the Registered Office of the Company, to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 2024, the Statements of Profit and Loss, Changes in Equity and Cash Flows for the year ended on that date and the Reports of the Directors and Auditors thereon.

By order of the Board of Directors
For **Sattva Engineering Construction Private Limited**



(S Seshadri)
Wholetime Director
DIN:00161517

Place: Chennai
Date: 02.09.2024

NOTE: A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM IS ATTACHED.

Notes:

1. **A Member Entitled to Attend and Vote** at the Annual General Meeting is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. **The Instrument Appointing the Proxy**, in order to be effective, must be deposited at the Registered Office of the Company, duly completed and signed, not less than **48 hours** before the commencement of the Meeting.
2. **Members are requested to notify** immediately any change in their address and/or bank particulars to the Company.
3. Members are requested to **promptly inform the Company** of any **change in their registered email ID** by sending an email to **sujatha@sattvaengg.in**, clearly mentioning their name and folio number. This will help ensure timely and uninterrupted receipt of all communications from the Company.
4. **Members desirous of obtaining any information** regarding Accounts or operations of the Company are requested to write to the Company at least **10 days before the meeting**, so that the information can be compiled and made available at the meeting.
5. The route map showing directions to reach the venue of the AGM is annexed to this Notice.

ATTENDANCE SLIP

Shareholders attending the meeting in person or by proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

Folio Number	No. Of Shares

Full name of member: _____

(In Capital Block)

Full Name (s) of Joint Member: _____

(In Capital Block) (if any)

Address: _____

Name of Proxy: _____

(To be filling in, if proxy attends instead of the member)

I/We certify that I/we am/are members)/proxy for the members) of the Company.

I/We hereby record my presence at the 19th Annual General Meeting of the members of SATTVA ENGINEERING CONSTRUCTION PRIVATE LIMITED will be held on monday, September 30, 2024 at 11:30 A.M. at Greams Dugar, 4th Floor, North Wing, Old No.149, New No.64,Greams Road,Thousand Lights, Chennai, Chennai, Tamil Nadu, India, 600006.

Sign of attending member/proxy

NOTE:

1. Member / Proxy holder wishing to attend the meeting must bring the Attendance Slip duly signed to the meeting and hand, it over at the entrance.
2. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
- 3: Only members of the Company and/or their proxy will be allowed to attend the meeting.

FORM MGT_11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: U45201TN2005PTC058383
Name of the Company: Sattva Engineering Construction Private Limited
Registered office: Greams Dugar, 4th Floor, North Wing, Old No.149, New No.64, Greams Road, Thousand Lights, Chennai, Chennai, Tamil Nadu, India, 600006
Name of the Member (S):
Registered Address:
E-mail Id:
Folio No. / Client Id:
*DP ID:

I/We, being the member (s) of _____ shares of the above-named company, hereby appoint

01.Name: _____ Address: _____

Email id: _____

Signature: _____ or failing him

02.Name: _____ Address: _____

Email Id: _____

Signature: _____ or failing him

my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 19th Annual General Meeting of the members of Sattva Engineering Construction Private Limited will be held on Monday, September 30, 2024 at 11:30 A.M. at Greams Dugar, 4th Floor, North Wing, Old No.149, New No.64, Greams Road, Thousand Lights, Chennai, Chennai, Tamil Nadu, India, 600006 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. NO	RESOLUTION	FOR	AGAINST
1	To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 2024, the Statements of Profit and Loss, Changes in Equity and Cash Flows for the year ended on that date and the Reports of the Directors and Auditors thereon.		

Signed this _____ day of _____, 20__

Signature of Shareholder

Signature of Proxy

Notes:

This form should be signed across the stamp as per specimen signature registered with the Company.

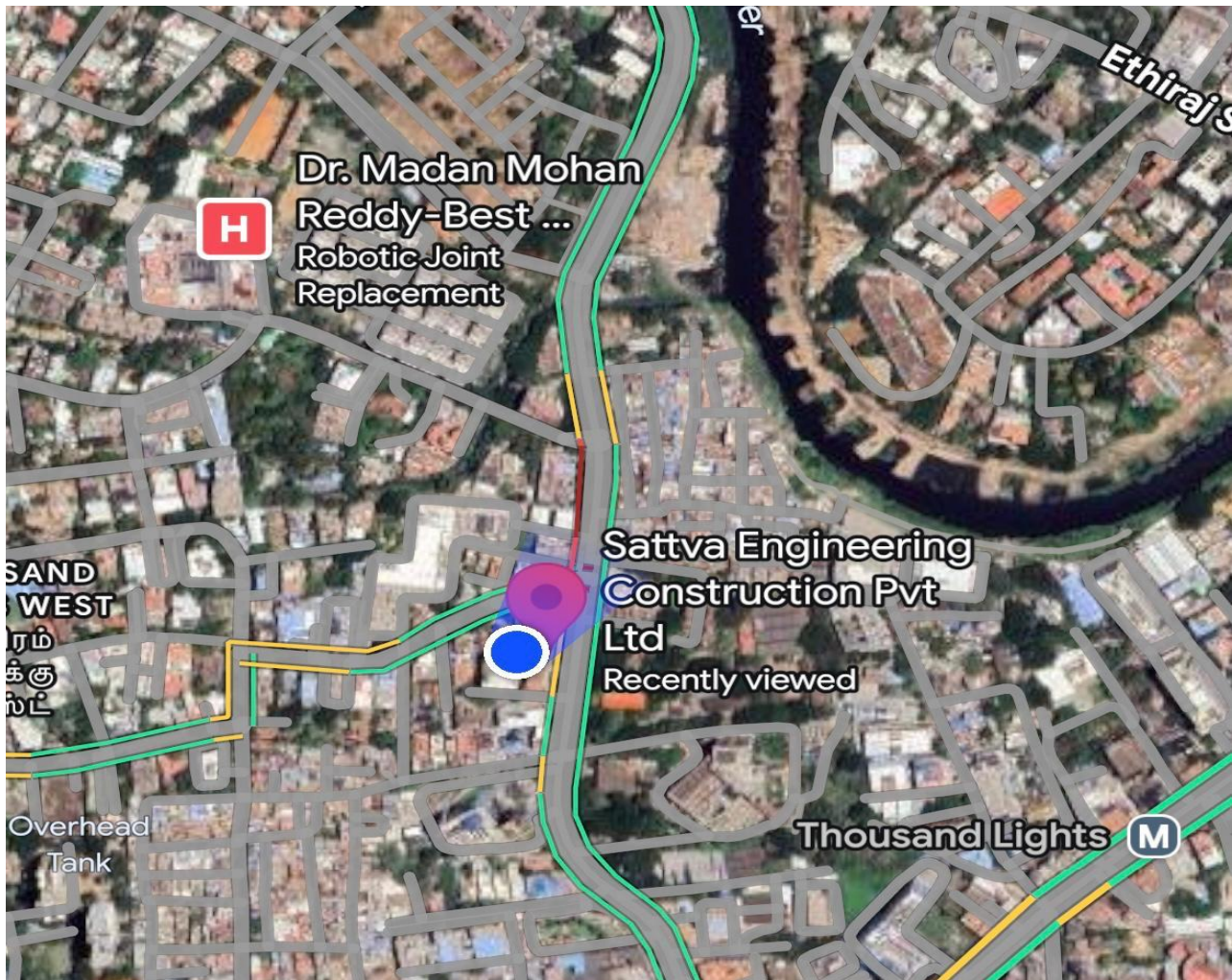
2. The Proxy, to be effective, should be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.

3. A proxy need not be a member of the Company.

4. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% 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.

5. Please put a 'V' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/ she thinks appropriate.

Route map to venue of 19th Annual General Meeting



Venue: Greams Dugar, 4th Floor, North Wing, Old No.149, New No.64, Greams Road, Thousand Lights, Chennai, Chennai, Tamil Nadu, India, 600006

Sattva Engineering Construction Private Limited

(Regd. Office: GREAMS DUGAR, 4TH FLOOR, OLD NO.149, NEW NO.64, GREAMS ROAD,
THOUSAND LIGHTS, CHENNAI – 600006.
CIN: U45201TN2005PTC058383
Email ID:sujatha@sattvaengg.in
Telephone:04428292303

Directors' Report

Your Directors have pleasure in presenting the 19th Annual Report on the business and operations of the Company and the Financial Statements for the Year ended March 31, 2024.

SUMMARISED FINANCIAL HIGHLIGHTS

Particulars	Current Year	Previous Year
	For the year ended 31 st March, 2024 (Rs. in lakhs)	For the year Ended 31 st March, 2023 (Rs.in lakhs)
Gross Revenue and other income	7743.63	8393.46
Profit / (Loss) before Interest and Depreciation	1314.88	787.49
Less: Interest	659.00	603.20
Profit / (Loss) before Depreciation	655.88	184.29
Less: Depreciation	27.64	46.12
Profit / (Loss) before Tax	628.24	138.17
Less: Provision for Taxation	182.78	44.39
Deferred Tax	(10.90)	(10.05)
Profit / (Loss) after Tax	456.37	103.83

DIVIDEND

The Directors have decided not to recommend any Dividend for the Financial Year 2023-24 in order to conserve liquid funds.

RESERVES

The entire Profit after tax has been added to the Surplus in the Profit and Loss Account and carried to the Balance Sheet.

STATEMENT OF THE AFFAIRS OF THE COMPANY

During the year under review, the turnover of the Company amounting to Rs.77.43 Crores (Previous Year - Rs.83.93 Crores) recorded a marginal decrease. However, mainly on account of the lower Direct Contract Expenses, the Profit after tax recorded a significant increase and amounted to Rs.456.37 lakhs (Previous year - Rs.103.83 lakhs). Your Directors are

confident that the turnover and the profitability of the Company would continue to record a progressive increase in the coming years.

MATERIAL CHANGES/COMMITMENTS SINCE THE END OF THE FINANCIAL YEAR

In order to meet the Company's long term requirements of funds, both for working capital and expansion of its operations and to cut its finance costs, the Company was contemplating the listing of its Equity Shares on the SME Exchange for quite some time now. Finally, at the Board Meeting held on the 28th August, 2024, the Company took a decision to list its Equity Shares on the SME Exchange and to engage the services of a Merchant Banker and other professionals. It was agreed and understood that prior to the listing of the Equity Shares, it was necessary to convert the Company into a Public Limited Company and take such consequential steps as may be required.

For meeting its immediate requirements, the Board of Directors, at the same meeting, approved the raising of funds in the form of equity by way of making a private placement offer, subject to the approval of the shareholders of the Company in a General Meeting. The proposal involved the issuance of up to 1,61,000 (One Lakh Sixty One Thousand) fully paid up equity shares having the face value of ₹10 (Rupees Ten Only) each for cash at an issue price of ₹702 (Seven Hundred and Two) per Subscription Share including a premium of ₹ 692 (Six Hundred and Ninety Two) per Subscription Share (based on the Valuation Report obtained by the Company), amounting to ₹11,30,22,000 (Eleven Crores Thirty Lakhs Twenty Two Thousand) to certain selected subscribers belonging to the Non-Promoter Category. Accordingly, an Extraordinary General Meeting was scheduled to be held on the 2nd September, 2024 for obtaining the consent of the shareholders for the private placement offer. Further steps would be taken upon receiving the approval of the shareholders.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

During the year under review, there has been no change in the nature of business of the Company.

DEPOSIT

The Company has not accepted any deposits.

CONSERVATION OF ENERGY

The Company continues to optimise all resources towards conserving energy in all the areas of its operation. The Company is yet to take any steps towards utilising the alternative sources of energy.

RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION ETC

In the opinion of the Directors, the matters relating to Research and Development, Technology Absorption, etc. are not applicable to the Company.

STATUTORY AUDITORS

M/s.Nathan and Company, Chartered Accountants, were appointed as the Statutory Auditors of the Company at the 23rdAnnual general Meeting held on 30.09.2021 for a period of five years.

AUDITORS' REPORT

It was noted that there were no qualifications, reservation or adverse remarks in the Draft Auditors' Report.

SECRETARIAL AUDIT

Not applicable

COST AUDIT

Not applicable

MAINTENANCE OF COST RECORDS

The maintenance of cost records as specified by the Central Govt under sub-section (1) of Section 148 of the Companies Act, 2013 is not applicable to the Company.

EXTRACT OF THE ANNUAL RETURN

The Annual Return of the Company will be placed on its website, www.sattvaengg.in, immediately after it is filed.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

Inflow: Nil

Outflow: Nil

ADEQUACY OF INTERNAL FINANCIAL CONTROL

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation were observed.

CORPORATE SOCIAL RESPONSIBILITY

Not applicable.

CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

No change

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors met Eleven (11) times during the Financial Year 2023-24 on the following dates: 01.04.2023, 19.04.2023, 26.05.2023, 30.05.2023, 22.06.2023, 10.07.2023, 11.07.2023, 01.09.2023, 10.10.2023, 21.12.2023 and 28.03.2024.

SUBSIDIARIES / ASSOCIATES / JOINT VENTURES

As on 31.03.2024, the Company had no subsidiaries, joint ventures and Associate Companies.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE COURT / TRIBUNALS

None.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Company has not given any Loan or Guarantee or made any investment in any other Company.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

The Company did not enter into any Contracts or Arrangements with Related parties during the year under review. The particulars of office of profit being held by the relatives of the Directors have been provided in the attached AOC 2.

PARTICULARS OF EMPLOYEES

The Company has no employees, receiving remuneration that would attract the disclosure requirements under the provisions of Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

SEXUAL HARASSMENT

Your Directors state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at work place (Prevention, Prohibition and Redressal) Act, 2013. An internal Complaints Committee has been set up to redress the complaints, if any, received regarding sexual harassment from all employees (permanent, contractual, temporary and trainees).

RISK MANAGEMENT POLICY

The Company is operating in a very competitive market. Responding to the tenders floated by various clients, who mainly comprise, Government and quasi Government authorities and obtaining Orders on the basis of the lowest price is a big challenge. The Company is doing everything possible to overcome the risk involved in this process. The Company is in the process of formulating a proper Risk Management Policy.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

(a) in the preparation of the annual accounts, subject to the Company's policy of settling the Gratuity liability on cash basis as and when the liability arises, 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 the affairs of the Company at the end of the financial year and of the Profit of the Company for that year;

(c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the Directors had prepared the annual accounts on a going concern basis; and

(e) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENTS

Your Directors would like to place on record their sincere appreciation to Shareholders, bankers and Employees for their co-operation and support.

Place: Chennai
Date: 02.09.2024

For and on behalf of the Board of Directors
Sattva Engineering Construction Private Limited



S Seshadri
Wholetime Director
(DIN : 00161517)



R Sekar
Wholetime Director
(DIN: 00207519)

Sattva Engineering Construction Private Limited

(Regd. Office: GREAMS DUGAR, 4TH FLOOR, OLD NO.149, NEW NO.64, GREAMS ROAD,
THOUSAND LIGHTS, CHENNAI – 600006.

CIN: U45201TN2005PTC058383

Email ID:sujatha@sattvaengg.in

Telephone:04428292303

Form No. AOC-2

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

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

Names of the related party and nature of relationship – Ms.Rama Seshadri and Ms.Uthra Sekar aretherelatives of the Directors (Wives);

Nature of contracts / arrangements / transactions – Office of Profit;

Duration of the contracts / arrangements/transactions – 01.10.2023 to 30.09.2028;

Salient terms of the contracts or arrangements or transactions including the value, if any – Not exceeding Rs.2.50 Lakhs per month each ; Actual amount paid to both during the year 2023-24 - Rs.26,27,600;

Justification for entering into such contracts or arrangements or transactions – Continuation of employment;

Date of approval by the Board – 01.09.2023.

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

None.

Place: Chennai

Date:02.09.2024

For and on behalf of the Board of Directors

Sattva Engineering Construction Private Limited



S Seshadri
Wholetime Director
(DIN :00161517)



R Sekar
Wholetime Director
(DIN:00207519)

INDEPENDENT AUDITOR'S REPORT

To the Members of

Sattva Engineering Construction Private Limited, (CIN: U45201TN2005PTC058383)
Old No 149, New No. 64, 4th Floor, Greams Road, Chennai 600006

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **Sattva Engineering Construction Private Limited**, (CIN: U45201TN2005PTC058383) ("the Company"), which comprise the Balance Sheet as at 31st March 2024, and the statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

There are no Key Audit matters determined to be communicated.

Responsibility of Management for 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either

intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are 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 scepticism 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure, a statement on the matters specified in paragraphs 3 and 4 of the Said Order.
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, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) A separate report on the internal financial controls over financial reporting of the Company as required under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 is issued in Annexure II to this report.
 - (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 on its financial position in its financial statements – Refer Note 31(b) to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv.
 - (I) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested, (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (II) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (III) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Clause (e) of Rule 11 contain any material mis-statement.
- v. No dividend has been declared or paid by the company during the year.
- vi. Based on our examination carried out in accordance with the *Implementation Guidance on Reporting on Audit Trail under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (Revised 2024 Edition)* issued by the Institute of Chartered Accountants of India, which included test checks, we report that the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Our examination of the audit trail was in the context of an audit of financial statements carried out in accordance with the Standard of Auditing and only to the extent required by *Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014*. We have not carried out any audit or examination of the audit trail beyond the matters required by the aforesaid Rule 11(g) nor have we carried out any standalone audit or examination of the audit trail.”

For Nathan & Co.,
Chartered Accountants
(Firm Registration No. 002429S)

Sd/-
CA Rajagopalakrishnan R
Partner
Membership No.: 200442
Chennai, 2nd September 2024
UDIN: 24200442BKAIEE7826

**ANNEXURE I TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE
FINANCIAL STATEMENTS OF SATTVA ENGINEERING CONSTRUCTION PRIVATE LIMITED
Pursuant to paragraphs 3 and 4 of the Companies (Audit Report) Order, 2020**

- i.
- a.
1. The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property Plant & Equipment.
 2. There are no intangible assets held by the company.
- b. These Property Plant & Equipment of the Company have been physically verified by the management at reasonable intervals; No material discrepancies were noticed on such verification.
- c. The title deeds of immovable properties are held in the name of the company, except as reported below:

Relevant line item in the Balance sheet	Plant Property & Equipment
Description of item of property	900 sq.ft of Land with 3200 sqft of Office Building area in the 4th Floor with Parking area for 4 cars at building known as Greams Dugar in Greams Road, Chennai
Gross carrying value Rs. Lakhs	183.38
Title deeds held in the name of	S SESHADRI
Whether title deed holder is a promoter, director or relative# of promoter*/director or employee of promoter/director	DIRECTOR
Property held since which date	11-09-2013
Reason for not being held in the name of the company**	The Property was purchased in the name of S Seshadri Director of the company as, at the time of purchase, the bankers of the company expressed their inability to provide a loan for purchase of the said property and the company was forced to approach another bank for the same. As the bankers did not issue a no objection certificate to the company to avail multiple banking facilities, the property was purchased in the name of the Director. An unconditional undertaking was obtained from the director that the property belongs to the company and will be transferred to the company on demand. There are no disputes as to the title of the property

- d. The Company has not revalued its Property Plant & Equipment (including Right of Use Assets) or intangible assets or both.
- e. No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii.
- a. Physical verification of inventory has been carried out by the management of the Company at regular intervals and in our opinion, the coverage and procedure of such verification is appropriate. No discrepancies in excess of 10% or more in each class of inventory were noticed during such verification.
- b. Quarterly returns or statements filed by the Company with banks sanctioning working capital limits are generally in agreement with the books of accounts of the Company.
- iii.
- a. The Company has not granted loans and advances in the nature of loans to companies or other parties and reporting under these paragraphs is not applicable.
- iv. In respect of loans, investments, guarantees, and security, the provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
- v. The Company has not accepted any deposits.

- vi. Maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013
- vii.
 - a. The company has committed certain defaults in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. However, there are no arrears of such dues for more than 6 months from the date on which they became payable as on the last day of the financial year.
 - b. There are no statutory dues referred to in clause (a) above, which have not been deposited on account of any dispute.
- viii. There are no transactions not recorded in the books of accounts and surrendered or disclosed as income during the year in the tax assessments under the Income tax Act 1961.
- ix.
 - a. The company has not defaulted on any loans or borrowings from a financial institution, bank, Government or dues to debenture holders.
 - b. The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender.
 - c. Term loans were applied for the purposes for which those were raised.
 - d. Funds raised on short term basis have not been utilised for long term purposes.
 - e. The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
 - f. The company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x.
 - a. No moneys were raised by way of initial public offer or further public offer (including debt instruments).
 - b. The company has not made any preferential allotment or private placement of shares or fully, partly or optionally convertible debentures during the year.
- xi.
 - a. No fraud by the company or fraud on the Company by its officers or employees has been noticed or reported during the year.
 - b. No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
 - c. According to the information and explanations given to us, there are no whistle blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company.
- xiii. All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- xiv.
 - a. The Company is not covered by the requirements of internal audit under section 138 of the Companies Act.
- xv. The company has not entered into any non-cash transactions with directors or persons connected with him.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act.
- xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial

liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

xx.

- a. There are no unspent amounts in respect of CSR projects. There are no ongoing projects.
- b. There are no unspent amounts under sub section (5) of section 135 of the Companies Act in respect of ongoing CSR projects.

For Nathan & Co.,

Chartered Accountants(Firm Registration No. 002429S)

Sd/-

CA Rajagopala Krishnan R

Partner

Chennai, 2nd September 2024

UDIN: 24200442BKAIEE7826

**ANNEXURE II TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE
FINANCIAL STATEMENTS OF SATTVA ENGINEERING CONSTRUCTION PRIVATE LIMITED**

**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 SATTVA ENGINEERING CONSTRUCTION PRIVATE LIMITED ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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, to the extent applicable to an audit of internal financial controls, 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence We have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial control 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 authorisations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

According to the information and explanations given to us and based on our audit, the Company has adequate Internal Financial Controls in place and such controls were operating effectively.

For Nathan & Co.,
Chartered Accountants
(Firm Registration No. 002429S)

Sd/-
CA Rajagopalakrishnan R
Partner
Membership No.: 200442
Chennai, 2nd September 2024
UDIN: 24200442BKAIEE7826

Sattva Engineering Construction Private Limited

CIN: U45201TN2005PTC058383

Old No 149, New No. 64, 4th Floor, Greams Road, Chennai 600006

BALANCE SHEET AS AT March 31, 2024

		Particulars	Note #	Figures as at the end of Current Reporting period 31st March 2024	Figures as at the end of Previous Reporting period 31st March 2023
				Rs.	Rs.
	I	Equity and Liabilities			
	1	Share Holders funds			
	a	Share Capital	1	9,990,000.00	9,990,000.00
	b	Reserves and Surplus	2	251,571,817.87	205,934,917.80
	c	Money Received against Share Warrants		-	
	2	Share application money pending allotment		-	
	3	Non-current liabilities			
	a	Long Term Borrowings	3 & 4	13,807,716.20	32,251,887.68
	b	Deferred Tax Liabilities (Net)			
	c	Other Long Term Liabilities			-
	d	Long Term provisions	5	2,003,362.00	-
	4	Current Liabilities			
	a	Short-term borrowings	6	308,160,925.38	290,126,266.95
	b	Trade payables	7		
		Total outstanding dues of micro enterprises and small enterprises		-	-
		Total outstanding dues of creditors other than micro enterprises and small enterprises		292,217,535.39	259,365,676.19
	c	Other current liabilities	8	-	3,986,040.00
	d	Short-term provisions	9	18,277,887.00	53,355,314.00
		TOTAL		896,029,243.84	855,010,102.62
	II	Assets			
	1	Non Current Assets			
	a	Property Plant and Equipment	10		
	(i)	Tangible Assets		37,859,920.46	38,723,969.81
	(ii)	Intangible Assets		-	-
	(iii)	Capital Work in Progress		-	-
	(iv)	Intangible Assets under Development		-	-
	b	Non Current Investments	11(a)	23,184,000.00	23,184,000.00
	c	Deferred Tax Assets (Net)	17	3,234,519.00	2,144,072.00
	d	Long Term Loans and Advances			
	e	Other Non Current Assets	12	12,965,247.46	6,584,997.46
	2	Current Assets			
	a	Current Investments	11(b)	10,912,330.00	10,912,330.00
	b	Inventories	13	252,130,221.73	184,582,040.93
	c	Trade Receivables	14	452,072,750.11	441,070,426.98
	d	Cash & Cash Equivalents	15	56,199,563.45	59,656,260.00
	e	Short Term Loans and Advances	16	47,470,691.63	88,152,005.44
	f	Other Current Assets		-	-
		TOTAL		896,029,243.84	855,010,102.62
		See Accompanying Notes to Financial Statements As per our report of even date attached For Nathan & Co (FRN 002429S) Chartered Accountants		sd/- S Seshadri Director (DIN: 00161517)	-
		sd/- Rajagopalakrishnan R Partner UDIN: 24200442BKAIEE7826 Membership No. 200442 Place : Chennai 2nd September 2024		sd/- R Sekar Director (DIN : 00207519) Place : Chennai 2nd September 2024	

Sattva Engineering Construction Private Limited

CIN: U45201TN2005PTC058383

Old No 149, New No. 64, 4th Floor, Greams Road, Chennai 600006

Statement of Profit and Loss for the year ended 31st March 2024

Particulars	Note #	Figures for the current reporting period 31st March 2024	Figures for the previous reporting period 31st March 2023
		Rs.	Rs.
I Revenue from Operations	18	769,306,991.02	836,389,202.00
II Other Income	19	5,055,743.47	2,957,159.01
III Total Revenue	I + II	774,362,734.49	839,346,361.01
IV Expenses			
Cost of Materials Consumed	20	383,944,615.05	375,889,786.05
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	21	(24,673,602.80)	127,641.70
Direct Contract Expenses	22	194,136,109.36	303,286,638.42
Employee benefits expense	23	60,250,772.00	50,956,729.00
Finance costs	24	65,899,629.39	60,319,897.31
Depreciation and amortization expense	10	2,764,125.93	4,612,051.00
Other Expenses	25	29,216,695.49	30,336,812.64
Total expenses		711,538,344.42	825,529,556.12
V Profit (Loss) before exceptional and extraordinary items and tax	(III-IV)	62,824,390.07	13,816,804.89
VI Exceptional items		-	-
VII Profit (Loss) before extraordinary items and tax	(V-VI)	62,824,390.07	13,816,804.89
VIII Extraordinary Items			
IX Profit (Loss) before tax	(VII-VIII)	62,824,390.07	13,816,804.89
X Tax expense			
1 Current tax		(18,277,887.00)	(4,439,464.00)
2 (Short)/Excess Provision - Earlier years		(50.00)	-
3 Deferred tax		1,090,447.00	1,005,667.00
XI Profit (Loss) after tax from Continuing Operations	IX-X	45,636,900.07	10,383,007.89
XII Profit (Loss) from Discontinuing Operations		-	-
XIII Tax Expense of Discontinuing Operations		-	-
XIV Profit (Loss) from Discontinuing Operations after	XII-XIII	-	-
XV Profit (Loss) for the Period	XI + XIV	45,636,900.07	10,383,007.89
XVI Earnings per Share			
1 Basic		91.37	20.79
2 Diluted		91.37	20.79
Nominal Value per share		10.00	10.00

See Accompanying Notes to Financial Statements
As per our report of even date attached
For Nathan & Co (FRN 002429S)
Chartered Accountants

sd/-
Rajagopalakrishnan R
Partner
Membership No. 200442
UDIN: 24200442BKAIEE7826
Place : Chennai
2nd September 2024

sd/-
S Seshadri
Director
(DIN: 00161517)

sd/-
R Sekar
Director
(DIN : 00207519)

Place : Chennai
2nd September 2024

Sattva Engineering Construction Private Limited

CIN: U45201TN2005PTC058383

Old No 149, New No. 64, 4th Floor, Greams Road, Chennai 600006

CASH FLOW STATEMENT FOR THE YEAR ENDED March 31, 2024

	Current year 31st March, 2024		Previous year 31st March, 2023	
	Rs	Rs	Rs	Rs
1 Cash flows from operating Activities				
Net Profit (Loss) before taxation	62,824,390.07		13,816,804.89	
Adjustments for:				
Depreciation and Amortisations	2,764,125.93		4,612,051.00	
(Profit)/ Loss on Sale of Assets	(130,430.47)		-	
Interest Income	(3,402,513.00)		(1,343,130.00)	
Provision for Gratuity	2,003,362.00		-	
Other Non Operating Income - Rent	(1,522,800.00)		(1,522,800.00)	
Interest/Finance Costs	65,899,629.39		60,319,897.31	
Taxes on Income Paid (net of refunds)	(7,523,283.20)		5,756,820.80	
Operating Profit before Working capital Changes	120,912,480.72		81,639,644.00	
(Increase)/decrease in Current Assets	(83,701,270.92)		(27,126,410.45)	
Increase/(Decrease) in Current Liabilities	32,851,859.20		34,792,097.50	
<i>Cash flow from Operating Activities</i>		70,063,069.00		89,305,331.05
2 Cash Flow from Investing Activities				
Purchase of Fixed Assets	(1,969,646.11)		(445,880.00)	
Sale of Fixed Assets	200,000.00		-	
Interest Income	3,402,513.00		1,343,130.00	
Other Non Operating Income - Rent	1,522,800.00		1,522,800.00	
(Purchase)/Sale of Current Investments	-		-	
(Increase)/Decrease in Long Term Loans and Advances	(6,380,250.00)		(5,465,000.00)	
<i>Cash flow from/(used) in Investing Activities</i>		(3,224,583.11)		(3,044,950.00)
3 Cash flow from Financing Activities				
Increase/(Decrease) in Long Term Liabilities			-	
Borrowings - term Loans/Finance Lease	1,900,000.00		2,124.00	
Loan from Directors taken/repaid (Net)	150,000.00		(4,578,000.00)	
Short Term Borrowings made/(Repaid) net	21,545,260.87		38,169,205.18	
Repayment of Term Loans/Finance Lease Obligations	(27,990,813.92)		(20,022,575.96)	
Interest/Finance Costs	(65,899,629.39)		(60,319,897.31)	
<i>Cash flow from/(used) in Financing Activities</i>		(70,295,182.44)		(46,749,144.09)
Net increase (Decrease)in Cash or Cash Equivalents		(3,456,696.55)		39,511,236.96
Add: Cash or Cash Equivalents at the beginning of Period		59,656,260.00		20,145,023.04
Cash or Cash Equivalents at the end of Period		56,199,563.45		59,656,260.00
Of the above , Cash flows referred to in Para 45 of AS 3 - Cash Flow Statements		50,107,444.00		23,430,119.00

See Accompanying Notes to Financial Statements

As per our Separate report of even date attached
For Nathan & Co (FRN 002429S)
Chartered Accountants
sd/-
Rajagopalakrishnan R
Partner
Membership No. 200442
UDIN: 24200442BKAIEE7826
Place : CHENNAI
2nd September 2024

S Seshadri
Director sd/-
(DIN: 00161517)

R Sekar
Director sd/-
(DIN : 00207519)

Place : CHENNAI
2nd September 2024

Sattva Engineering Construction Private Limited

CIN: U45201TN2005PTC058383

Old No 149, New No. 64, 4th Floor, Greams Road, Chennai 600006

CASH FLOW STATEMENT FOR THE YEAR ENDED March 31, 2024

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Chartered Accountants
sd/-
Rajagopalakrishnan R
Partner
Membership No. 200442
UDIN: 24200442BKAIEE7826
Place : CHENNAI
2nd September 2024

S Seshadri
Director sd/-
(DIN: 00161517)

R Sekar
Director sd/-
(DIN : 00207519)

Place : CHENNAI
2nd September 2024

Sattva Engineering Construction Private Limited

CIN: U45201TN2005PTC058383

Old No 149, New No. 64, 4th Floor, Greams Road, Chennai 600006

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See Accompanying Notes to Financial Statements

As per our Separate report of even date attached
For Nathan & Co (FRN 002429S)
Chartered Accountants
sd/-
Rajagopalakrishnan R
Partner
Membership No. 200442
UDIN: 24200442BKAIEE7826
Place : CHENNAI
2nd September 2024

S Seshadri
Director sd/-
(DIN: 00161517)

R Sekar
Director sd/-
(DIN : 00207519)

Place : CHENNAI
2nd September 2024

Sattva Engineering Construction Private Limited

CIN: U45201TN2005PTC058383

Old No 149, New No. 64, 4th Floor, Greams Road, Chennai 600006

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Other Non Operating Income - Rent	(1,522,800.00)		(1,522,800.00)	
Interest/Finance Costs	65,899,629.39		60,319,897.31	
Taxes on Income Paid (net of refunds)	(7,523,283.20)		5,756,820.80	
Operating Profit before Working capital Changes	120,912,480.72		81,639,644.00	
(Increase)/decrease in Current Assets	(83,701,270.92)		(27,126,410.45)	
Increase/(Decrease) in Current Liabilities	32,851,859.20		34,792,097.50	
<i>Cash flow from Operating Activities</i>		70,063,069.00		89,305,331.05
2 Cash Flow from Investing Activities				
Purchase of Fixed Assets	(1,969,646.11)		(445,880.00)	
Sale of Fixed Assets	200,000.00		-	
Interest Income	3,402,513.00		1,343,130.00	
Other Non Operating Income - Rent	1,522,800.00		1,522,800.00	
(Purchase)/Sale of Current Investments	-		-	
(Increase)/Decrease in Long Term Loans and Advances	(6,380,250.00)		(5,465,000.00)	
<i>Cash flow from/(used) in Investing Activities</i>		(3,224,583.11)		(3,044,950.00)
3 Cash flow from Financing Activities				
Increase/(Decrease) in Long Term Liabilities			-	
Borrowings - term Loans/Finance Lease	1,900,000.00		2,124.00	
Loan from Directors taken/repaid (Net)	150,000.00		(4,578,000.00)	
Short Term Borrowings made/(Repaid) net	21,545,260.87		38,169,205.18	
Repayment of Term Loans/Finance Lease Obligations	(27,990,813.92)		(20,022,575.96)	
Interest/Finance Costs	(65,899,629.39)		(60,319,897.31)	
<i>Cash flow from/(used) in Financing Activities</i>		(70,295,182.44)		(46,749,144.09)
Net increase (Decrease)in Cash or Cash Equivalents		(3,456,696.55)		39,511,236.96
Add: Cash or Cash Equivalents at the beginning of Period		59,656,260.00		20,145,023.04
Cash or Cash Equivalents at the end of Period		56,199,563.45		59,656,260.00
Of the above , Cash flows referred to in Para 45 of AS 3 - Cash Flow Statements		50,107,444.00		23,430,119.00

See Accompanying Notes to Financial Statements

As per our Separate report of even date attached
For Nathan & Co (FRN 002429S)
Chartered Accountants
sd/-
Rajagopalakrishnan R
Partner
Membership No. 200442
UDIN: 24200442BKAIEE7826
Place : CHENNAI
2nd September 2024

S Seshadri
Director sd/-
(DIN: 00161517)

R Sekar
Director sd/-
(DIN : 00207519)

Place : CHENNAI
2nd September 2024

Sattva Engineering Construction Private Limited

CIN: U45201TN2005PTC058383

Old No 149, New No. 64, 4th Floor, Greams Road, Chennai 600006

CASH FLOW STATEMENT FOR THE YEAR ENDED March 31, 2024

	Current year 31st March, 2024		Previous year 31st March, 2023	
	Rs	Rs	Rs	Rs
1 Cash flows from operating Activities				
Net Profit (Loss) before taxation	62,824,390.07		13,816,804.89	
Adjustments for:				
Depreciation and Amortisations	2,764,125.93		4,612,051.00	
(Profit)/ Loss on Sale of Assets	(130,430.47)		-	
Interest Income	(3,402,513.00)		(1,343,130.00)	
Provision for Gratuity	2,003,362.00		-	
Other Non Operating Income - Rent	(1,522,800.00)		(1,522,800.00)	
Interest/Finance Costs	65,899,629.39		60,319,897.31	
Taxes on Income Paid (net of refunds)	(7,523,283.20)		5,756,820.80	
Operating Profit before Working capital Changes	120,912,480.72		81,639,644.00	
(Increase)/decrease in Current Assets	(83,701,270.92)		(27,126,410.45)	
Increase/(Decrease) in Current Liabilities	32,851,859.20		34,792,097.50	
<i>Cash flow from Operating Activities</i>		70,063,069.00		89,305,331.05
2 Cash Flow from Investing Activities				
Purchase of Fixed Assets	(1,969,646.11)		(445,880.00)	
Sale of Fixed Assets	200,000.00		-	
Interest Income	3,402,513.00		1,343,130.00	
Other Non Operating Income - Rent	1,522,800.00		1,522,800.00	
(Purchase)/Sale of Current Investments	-		-	
(Increase)/Decrease in Long Term Loans and Advances	(6,380,250.00)		(5,465,000.00)	
<i>Cash flow from/(used) in Investing Activities</i>		(3,224,583.11)		(3,044,950.00)
3 Cash flow from Financing Activities				
Increase/(Decrease) in Long Term Liabilities			-	
Borrowings - term Loans/Finance Lease	1,900,000.00		2,124.00	
Loan from Directors taken/repaid (Net)	150,000.00		(4,578,000.00)	
Short Term Borrowings made/(Repaid) net	21,545,260.87		38,169,205.18	
Repayment of Term Loans/Finance Lease Obligations	(27,990,813.92)		(20,022,575.96)	
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Net increase (Decrease)in Cash or Cash Equivalents		(3,456,696.55)		39,511,236.96
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Of the above , Cash flows referred to in Para 45 of AS 3 - Cash Flow Statements		50,107,444.00		23,430,119.00

See Accompanying Notes to Financial Statements

As per our Separate report of even date attached
For Nathan & Co (FRN 002429S)
Chartered Accountants
sd/-
Rajagopalakrishnan R
Partner
Membership No. 200442
UDIN: 24200442BKAIEE7826
Place : CHENNAI
2nd September 2024

S Seshadri
Director sd/-
(DIN: 00161517)

R Sekar
Director sd/-
(DIN : 00207519)

Place : CHENNAI
2nd September 2024

CIN: U45201TN2005PTC058383

Old No 149, New No. 64, 4th Floor, Greams Road, Chennai 600006
Statement of Changes in Equity for the year ended 31st March 2024

	Contributed Equity	Other Equity		Total Share holders Funds
		Capital Reserve	Retained Earnings	
Add/(Less) Opening Balance as on 01/04/2022	9,990,000.00	21,252,000.00	174,299,909.91	205,541,909.91
Add/(Less) Profit for the year 2022-23			10,383,007.89	10,383,007.89
Closing Balance as on 31/3/2023	9,990,000.00	21,252,000.00	184,682,917.80	215,924,917.80
Add/(Less) Opening Balance as on 01/04/2023	9,990,000.00	21,252,000.00	184,682,917.80	215,924,917.80
Add/(Less) Profit for the year 2023-24			45,636,900.07	45,636,900.07
Closing Balance as on 31/3/2024	9,990,000.00	21,252,000.00	230,319,817.87	261,561,817.87

See Accompanying Notes to Financial Statements
As per our report of even date attached
For Nathan & Co (FRN 002429S)
Chartered Accountants

sd/-
Rajagopalakrishnan R
Partner
Membership No. 200442
UDIN: 24200442BKAIEE7826
Place : Chennai
2nd September 2024

sd/-
S Seshadri
Director
(DIN: 00161517)

sd/-
R Sekar
Director
(DIN : 00207519)

Place : Chennai
2nd September 2024

Sattva Engineering Construction Private Limited

CIN: U45201TN2005PTC058383

Old No 149, New No. 64, 4th Floor, Greams Road, Chennai 600006

Notes Accompanying Financial Statements for the year ended 31st March 2024

Note

Significant Accounting Policies

a. Accounting Convention

The financial statements are prepared under the historic cost convention, in accordance with the applicable accounting standards. The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/ materialized.

b. Fixed Assets

Fixed assets are stated at cost less accumulated depreciation and provisions and reversals on account of impairment. Cost is inclusive of freight, levies taxes and also any costs directly attributable to bringing the assets to their working condition for intended use. Project Expenses incurred which are identifiable to particular assets are accumulated with the original cost of such assets. Common Project expenses are allocated to resulting fixed assets of that project in the same proportion as the cost of such assets.

c. Depreciation

Depreciation is charged based on the useful lives of assets laid down in Schedule II of the Companies Act 2013 for all assets put to use on or after 1/4/2014, after retaining a residual value of 5% of the original cost of the assets. The Balance written down values of assets existing as on 31/3/2014 have been depreciated based on the balance useful lives determined as per schedule II, with respect to the dates on which those assets have been originally put to use , after retaining a residual value of 5% of the original cost of the assets. No depreciation is charged in the year of sale of any asset.

d. Revenue Recognition

Revenue is recognized and expenses are accounted on their accrual with necessary provisions for all known liabilities and losses. Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable. Other non operating income is recognized when the un-conditional right to receive such income is vested in the Company.

Contract revenue is recognised by adding the aggregate cost and proportionate margin using the percentage completion method. Percentage of completion is determined as a proportion of cost incurred-to-date to the total estimated contract cost. Full provision is made for any loss in the period in which it is foreseen.

e. Inventories

Inventories are valued as follows:

i Raw materials, components, construction materials, stores, spares and loose tools at lower of cost or net realisable value.

ii Work-in-progress on construction contracts at cost till such time the outcome of the job cannot be ascertained reliably and at realisable value thereafter

f. Current and Deferred Taxation

i Current Tax is determined in accordance with and after considering all benefits available under the provisions of the Indian Income Tax Act, 1961.

ii Deferred tax is recognized for all timing differences between taxable and accounting income using the tax rates and laws that are enacted or substantially enacted as on date of reporting. Deferred tax assets are recognized only when there is virtual certainty of such assets materializing in the near future.

g. Contingent Liabilities, Assets & Provisions:

All known liabilities of material nature have been provided for in the accounts except liabilities of a contingent nature which have been disclosed at their estimated value in the notes on accounts in accordance with Accounting Standard- 29. Contingent Assets are not recognized or measured. As regards Provisions, only those obligations arising from past events existing independently of an enterprise's future actions are recognized as provisions.

Sattva Engineering Construction Private Limited

CIN: U45201TN2005PTC058383

Old No 149, New No. 64, 4th Floor, Greams Road, Chennai 600006

Notes Accompanying Financial Statements for the year ended 31st March 2024

h. Earnings per share:

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

i. Retirement Benefits:

The company has a defined contribution plan in the form of a Provident Fund scheme for its staff and pension scheme under the employee's pension scheme 1995 for all its employees, which is administered by the Provident Fund commissioner. The above mentioned schemes are classified as defined contribution plan as the company has no further obligation beyond making the contributions. The company's contributions to the defined contribution plans are charged to the profit and loss account as incurred.

The company does not have a policy of allowing the encashment of leave to its staff and employees.

The Company has a defined benefit plan for providing for Gratuity payable to its employees in form of contribution to the Group Gratuity Scheme of the Life Insurance Corporation of India. The above mentioned scheme is classified as defined contribution plan as the company has no further obligation beyond making the contributions. The contributions to the Scheme are charged to the Profit and Loss Account as incurred. The company's policy of providing Gratuity is in line with the provisions of The Payment of Gratuity Act. As a measure of prudence, any shortfall in the Fair value of assets of the fund and the liability as at the valuation date is provided as a charge (net of income tax) to the profits of each period.

j. Impairment of Assets

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

k. Borrowing costs

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

Notes on Accounts

			Figures for the current reporting period 31st March 2024 Rs.		Figures for the previous reporting period 31st March 2023 Rs.
1		Share Capital			
a		The Authorized Capital of the company comprises of - 1500000 (PY 1500000) Equity Shares of Rs. 10 each	1,50,00,000.00		1,50,00,000.00
b		Shares Issued Subscribed and Fully paid up 499500 Equity Shares of Rs. 10 each	99,90,000.00		99,90,000.00
c		Movement in Shares issued during the year <i>Equity Shares of Par Value ` 10 each</i>			
		Number of Shares :			
		outstanding at the beginning of the Year	9,99,000		9,99,000.00
		issued and subscribed during the year	-		-
		retired/boughtback/cancelled during the year	-		-
		at the end of the Year	9,99,000		9,99,000.00
d		Details of Shares in the Company held by each shareholder in excess of 5% of shares	Shares	% of Holding	Shares
		S Seshadri	4,99,500	50%	4,99,500
		R Sekar	4,99,500	50%	4,99,500
e		<i>Rights of each class of Shares</i>			
		The Company has issued only one class of equity share which rank <i>Pari Passu</i> with each other.			
		The Shareholders are entitled to vote at general meetings of the Company in proportion to their share holdings.			
		The Shareholders are entitled to Dividends and other distributions including distribution of surpluses on liquidation in proportion to their share holdings.			

Sattva Engineering Construction Private Limited

CIN: U45201TN2005PTC058383

Old No 149, New No. 64, 4th Floor, Greams Road, Chennai 600006

Notes Accompanying Financial Statements for the year ended 31st March 2024

f Details of Shareholdings by Promoters
Shares held by promoters at the end of the year

Sl No.	Promoter Name	No of Shares	% of Total Shares	% Change during the year
1	S Seshadri	4,99,500.00	50.00%	-
2	R Sekar	4,99,500.00	50.00%	-

2 Reserves and Surpluses

a Balance in Profit and Loss Account

Balance at the beginning of the Year	18,46,82,917.80	17,42,99,909.91
Add: Profit transferred for the year	4,56,36,900.07	1,03,83,007.89
Balance available for appropriations	23,03,19,817.87	18,46,82,917.80
Less: Appropriations		
Balance at End of the Year	<u>23,03,19,817.87</u>	<u>18,46,82,917.80</u>

b Investment Revaluation Reserve

Balance at the beginning of the Year	2,12,52,000.00	2,12,52,000.00
Add: Reserve created during the year	-	-
Balance at End of the Year	<u>2,12,52,000.00</u>	<u>2,12,52,000.00</u>

See also Note 11 - Non Current Investments

Total Reserves and Surpluses	a + b	25,15,71,817.87	20,59,34,917.80
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3 Long Term Borrowings - Secured

Term Loans from banks	1,29,78,460.20	2,45,93,721.68
Total in balance Sheet	<u>1,29,78,460.20</u>	<u>2,45,93,721.68</u>

a. The Term Loans from banks are secured by a charge on the Assets Created using the said Loan.

b. All Loan facilities are further secured by a personal guarantee of the directors.

c. Term Loan from HDFC bank Ltd., sanctioned amounting to Rs. 125 lakhs repayable in Monthly Instalments, of Rs. 1.67 lakhs each from October 2023. . Coupon Rate on the term loan is Bank's base Term Lending rate + 4% - Currently 8%

d. Another Term Loan from HDFC bank Ltd sanctioned amount, Rs. 68.89 lakhs is repayable in 36 EMIs of Rs. 2.56 lakhs each. . Coupon

e. Term Loan from Union Bank Of India, Sanctioned Amount 88.88 Lakhs, is repayable in 36 monthly instalments after a initial moratorium of 24 Months. . Fixed Interest rate 7.5%

f. Another Term Loan from Union Bank of India Sanctioned amount Rs. 179 lakhs is repayable in 36 montly instalments after an initial moratorium of 24 months. Fixed Interest Rate of 7.5%

g. Another Term loan from Union Bank of India for Purchase of Motor Car, is secured by the asset acquired with the said loan, carries an interest rate of 8.85% PA, and repayable at Equal monthly Instalment of Rs. 30,424 per month for 84 months.

4 Long Term Borrowings - Unsecured

Loans from Other Financial Institutions	-	69,78,910.00
Loans from Directors	8,29,256.00	6,79,256.00
	<u>8,29,256.00</u>	<u>76,58,166.00</u>

Loans from Other financial institutions

- are unsecured

- are repayable in 24 to 36 months at Equated monthly instalments amounting to Rs. 3.32 Lakhs (PY Rs. 3.32 Lakhs).

- Carry a coupon rate of 12.30 % per annum.

Loans from Directors are unsecured and no terms for repayment of same are contracted.

5 Long Term Provisions

Provision for Gratuity	20,03,362.00	-
	<u>20,03,362.00</u>	

Sattva Engineering Construction Private Limited

CIN: U45201TN2005PTC058383

Old No 149, New No. 64, 4th Floor, Greams Road, Chennai 600006

Notes Accompanying Financial Statements for the year ended 31st March 2024

6 Short Term Borrowings - Secured

Secured Cash Credit from Banks	24,70,22,497.61	22,57,87,107.74
Credit Line from NSIC Ltd	4,95,55,931.00	4,92,46,060.00
Current maturities of Long Term Debt from Banks- Secured	1,15,82,496.77	1,50,93,099.21
Total in balance Sheet	30,81,60,925.38	29,01,26,266.95

a. The Cash Credit from banks are secured by .

- a charge on the Stock and Receivables of the Company,
- a second charge on the certain assets of the Company charged to the Term Loans
- Charges on certain personal assets of the Directors and
- Personal Guarantee of the Directors

b. The Cash Credit is repayable on demand after 12 months from date of availing the same, unless renewed.

c. Coupon Rate on the Cash Credit limit from Union Bank of India is Banks MCLR Rate Plus 4 % - Currently 8%

d. Coupon Rate on the Cash Credit limit from HDFC Bank is Banks MCLR Rate Plus 4 % - Currently 8%

e. Credit Line from NSIC Ltd is in the nature of a rollover facility, secured by a bank guarantee issued in their favor and carries an interest rate of 10.75%

7 Trade Payables

Trade Creditors		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	18,31,66,546.69	21,81,91,322.57
Expenses payable	42,10,711.00	55,43,455.00
Mobilisation and Other Advances from Customers	10,08,74,468.00	70,92,239.00
Duties and Taxes payable	39,65,809.70	2,85,38,659.62
Total in balance Sheet	29,22,17,535.39	25,93,65,676.19

Out of the Total outstanding dues of micro enterprises and small enterprises: the principal amount and the interest due thereon remaining unpaid to any supplier
Principal Amount

- Interest Due

the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day

the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006

the amount of interest accrued and remaining unpaid

the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006

	-	-
	-	-
	-	-
	-	-
	-	-
	-	-

The Company has solicited information from all its trade creditors and vendors as to their statuses under the Micro, Small and Medium Enterprises Development Act, 2006. No confirmation has been received from any of the vendors of the company in confirmation of their statuses. In view of the above, it is presumed that none of the company's vendors are registered or eligible to register under the Micro, Small and Medium Enterprises Development Act, 2006.

(ii) Trade Payables Aging Schedule

(i)	Total outstanding dues of MSME's Outstanding for following period from due date of payment		
	Less than 1 year		-
	1-2 years	-	-
	2-3 years	-	-
	More than 3 years	-	-
(ii)	Total outstanding dues of creditors other than MSME's Outstanding for following period:		
	Less than 1 year	17,82,82,146.00	20,92,78,853.88
	1-2 years	48,84,400.69	85,72,617.16
	2-3 years	-	
	More than 3 years	-	
(iii)	There are no DISPUTED dues of MSME's or Creditors other than MSMEs Outstanding		

Sattva Engineering Construction Private Limited

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Notes Accompanying Financial Statements for the year ended 31st March 2024

8 Other Current Liabilities

Current maturities of Finance Lease Obligations- Secured	-	-
Current maturities of Long Term Loans from FI 's Unsecured	-	39,86,040.00
Total in balance Sheet	-	39,86,040.00

Also See Disclosures under Note 3

9 Short Term Provisions

Provisions for Current Income Taxes	1,82,77,887.00	5,33,55,314.00
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10 Plant Property and Equipment

Tangible Assets

	As at 1st April 2023	Additions during the year	deletions/Retirals During the year	As at 31st March 2024
<i>Gross Carrying Amounts</i>				
Land	1,56,26,456.00	-	-	1,56,26,456.00
Buildings	2,44,54,684.00	-	-	2,44,54,684.00
Plant and equipment	3,35,84,003.19	-	-	3,35,84,003.19
Furniture and Fixtures	40,98,236.87	-	-	40,98,236.87
Vehicles	58,82,447.25	17,99,900.00	13,91,455.53	62,90,891.72
Office equipment	52,52,534.96	1,69,746.11	-	54,22,281.07
Total	8,88,98,362.27	19,69,646.11	13,91,455.53	8,94,76,552.85

	As at 1st April 2023	For the year	deletions/Retirals During the year	As at 31st March 2024
<i>Depreciation/Amortizations/Impairments</i>				
Land	-	-	-	-
Buildings	1,52,52,527.00	5,31,961.00	-	1,57,84,488.00
Plant and equipment	2,22,18,764.43	19,54,752.12	-	2,41,73,516.55
Furniture and Fixtures	37,72,058.33	11,196.00	-	37,83,254.33
Vehicles	42,16,982.59	2,20,408.46	13,21,886.00	31,15,505.05
Office equipment	47,14,060.11	45,808.35	-	47,59,868.46
Total	5,01,74,392.46	27,64,125.93	13,21,886.00	5,16,16,632.39

	As at 31st March 2024	As at 31st March 2023
<i>Net Carrying Amounts</i>		
Land	1,56,26,456.00	1,56,26,456.00
Buildings	86,70,196.00	92,02,157.00
Plant and equipment	94,10,486.64	1,13,65,238.76
Furniture and Fixtures	3,14,982.54	3,26,178.54
Vehicles	31,75,386.67	16,65,464.66
Office equipment	6,62,412.61	5,38,474.85
Total	3,78,59,920.46	3,87,23,969.81

Sattva Engineering Construction Private Limited

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Notes Accompanying Financial Statements for the year ended 31st March 2024

11 Investments

A Non Current Investments

Non Trade, Unquoted	Basis of Carrying Value	Rs.	Rs.
1,93,200 (PY 1,93,200) Equity shares of Rs. 10 each fully paid up in Sattva CFS and Logistics Private Limited	Fair value	2,31,84,000.00	2,31,84,000.00

The above shares are carried on a non current basis by the company, based on the investment agreements with other investors in Sattva CFS and Logistics P Ltd. In order to reflect the true value of the investment of the company, the shares have been re-stated at fair value determined in accordance with the valuation guidelines issued by the Reserve Bank of India. The said fair value was determined at Rs. 122.31 per share on 23rd January 2012. The value adopted for Fair valuation is Rs. 120/- per share. The resultant increase in the value is credited to Investment Revaluation Reserve under Reserves and Surpluses.

B Current Investments

Non - Trade, Quoted	Basis of Carrying Value	Rs.	Rs.
1089935.14 Units (PY 1089935.14 Units) of Union Medium Duration Fund of face value Rs. 10 each.	At Cost	1,09,12,330.00	1,09,12,330.00
Market value of quoted investments		1,27,41,341.79	1,18,97,731.99

The above units are under lien to Union Bank of India as Margin for Guarantees issued by the bank

12 Other Non Current Assets

Security Deposits	1,29,65,247.46	65,84,997.46
Total in balance Sheet	1,29,65,247.46	65,84,997.46

13 Inventories

Stock of Raw Materials, Stores and Consumables	6,96,75,083.50	2,68,00,505.50
Work in Progress	18,24,55,138.23	15,77,81,535.43
	25,21,30,221.73	18,45,82,040.93

14 Trade Receivables

(Unsecured, Considered Good)

Debts outstanding for a period of more than 6 months	17,28,94,218.11	15,42,98,619.38
Other debts	27,91,78,532.00	28,67,71,807.60
Total in balance Sheet	45,20,72,750.11	44,10,70,426.98
Due from Related parties as defined in Section 2(76) of the Companies Act 2013	3,91,156.00	1,37,052.00

Trade Receivable Ageing Schedule

<i>Undisputed Trade receivables Considered Good</i>			
Less than 6 months	27,91,78,532.00	28,67,71,807.60	-
6 months - 1 year	14,04,38,719.99	8,68,98,043.54	-
1-2 years	-	5,71,06,282.72	-
2-3 years	2,24,07,718.00	1,02,94,293.12	-
More than 3 years	1,00,47,780.12	-	-
<i>There are no Undisputed Trade receivables Considered doubtful carried by the Company</i>			
<i>There are no Disputed Trade receivables Considered Good or Doubtful Carried by the Company</i>			

15 Cash & Cash Equivalents

Cash in Hand	82,713.00	1,26,141.00
Balance with banks in Current Accounts	60,09,406.45	3,61,00,000.00
Balance with banks in Deposit Accounts held as Bank Guarantee margins	5,01,07,444.00	2,34,30,119.00
Total in balance Sheet	5,61,99,563.45	5,96,56,260.00

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16 Short term Loans and Advances

Unsecured Considered Good

Income Taxes Paid in Advance	2,29,68,282.30	6,88,00,363.10
Other Taxes Paid in Advance	30,90,419.54	-
Advances To Suppliers/Service Providers	41,39,722.18	50,70,303.53
Other Advances	1,16,67,079.51	1,13,41,006.51
Interest Accrued	56,05,188.10	29,40,332.30
Total in balance Sheet	4,74,70,691.63	8,81,52,005.44

17 Deferred Tax Liability/Asset

on account of Timing Differences in Values of Depreciable assets

Opening Balance Liability (Asset)	(21,44,072.00)	(11,38,405.00)
Add: Provison (Reversal) made during the year	(10,90,447.00)	(10,05,667.00)
Closing Balance - Deferred Tax Liability (Asset)	(32,34,519.00)	(21,44,072.00)

18 Revenue From operations Consists of

Contract Income	76,93,06,991.02	83,63,89,202.00
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19 Other Income Consists of

Discount Received	-	91,229.01
Interest Received	34,02,513.00	13,43,130.00
Rent Received	15,22,800.00	15,22,800.00
Profit on Sale of Assets	1,30,430.47	-
Total in Statement of Profit and Loss	50,55,743.47	29,57,159.01

20 Cost of Materials Consumed Consist of

Opening Stock of Materials	2,68,00,505.50	8,00,46,426.35
Purchases of Materials (incl Price variations)	42,68,19,193.05	32,26,43,865.20
Closing Stock of Materials	(6,96,75,083.50)	(2,68,00,505.50)
Total in Statement of Profit and Loss	38,39,44,615.05	37,58,89,786.05

Changes in inventories of finished goods work-in-

21 progress and Stock-in-Trade Consist of

Opening Stock of Work in Progress	15,77,81,535.43	15,79,09,177.13
Closing Stock of Work in Progress	(18,24,55,138.23)	(15,77,81,535.43)
Total in Statement of Profit and Loss	(2,46,73,602.80)	1,27,641.70

22 Direct Contract Expenses Consist of

Labour Charges	18,32,20,037.40	28,90,62,275.04
Other Direct Contract Expenses		
Power and Fuel	56,33,054.67	43,37,112.73
Transport and Carting Charges	18,01,429.99	20,15,871.19
Hire Charges of Equipments	34,56,937.30	78,15,379.46
Cost of Tenders	24,650.00	56,000.00
Total in Statement of Profit and Loss	19,41,36,109.36	30,32,86,638.42

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23 Employee Benefit Expenses Consists of

Salaries and Wages	5,24,09,353.00	4,63,32,201.00
Contribution to PF and Other Funds	32,33,005.00	25,16,293.00
Gratuity	20,03,362.00	-
Welfare Expenses	26,05,052.00	21,08,235.00
Total in Statement of Profit and Loss	6,02,50,772.00	5,09,56,729.00

24 Financial Costs Consists of

Interest on Term Loans	10,80,866.00	15,32,863.00
Interest on Overdrafts Cash Credits and demand Loans	2,92,13,559.34	2,79,87,839.31
Interest on Other Loans	1,27,93,177.40	1,33,13,452.59
Other Interest	92,17,366.00	46,74,839.05
Bank Charges	1,35,94,660.65	1,28,10,903.36
Total in Statement of Profit and Loss	6,58,99,629.39	6,03,19,897.31

25 Other Expenses Consists of

Advertisements	-	31,120.00
Audit Fees	4,40,000.00	3,60,000.00
Conveyance and Travel	34,73,159.00	30,74,518.00
Donations	10,44,810.00	1,50,802.00
Electricity Charges	11,13,972.00	9,05,695.82
Insurance Charges	30,86,987.00	26,18,408.00
Other Contract Indirect Expenses	58,62,575.41	68,35,036.35
Professional Charges	1,54,540.00	10,00,000.00
Printing and Stationery	13,00,365.38	9,66,751.54
Rates and taxes	44,94,367.00	49,09,390.00
Repairs and Maintenance	53,72,644.85	69,71,130.96
Telephone and Communication Expenses	5,50,676.62	5,68,026.17
Vehicle Maintenance	23,22,598.23	19,45,933.80
Total in Statement of Profit and Loss	2,92,16,695.49	3,03,36,812.64

26 Expenses in Statement of Profit and Loss Include

Consumption of Stores and Spare parts	3,99,544.00	2,69,553.00
Power and fuel	40,29,964.22	52,42,808.55
Rents	34,56,937.30	78,15,379.46
Repairs to Machinery	80,96,392.30	69,71,130.96
Insurance	30,86,987.00	26,18,408.00
Rates and Taxes (other than taxes on income)	44,94,367.00	32,36,476.05
Payments to Statutory Auditors		
For Statutory Audit	2,00,000.00	1,80,000.00
For taxation matters	1,90,000.00	90,000.00
For Other Services - Certification	50,000.00	90,000.00

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Notes Accompanying Financial Statements for the year ended 31st March 2024

27 Related party Disclosures:

a Related Parties

The following are considered Related Parties in accordance with AS 18 – Related Party Disclosures issued by the Institute of Chartered Accountants of India and notified under the Companies (Accounting Standards) Rules

S Seshadri - Director	Key Management Personnel
R Sekar - Director	Key Management Personnel
Rama Seshadri	Relative of Key management Personnel
Uthra Sekar	Relative of Key management Personnel

b Transactions with Related Parties

Remuneration to Key management Personnel		78,80,000.00		68,40,000.00
Loan Amounts due to Key management Personnel		8,29,256.00		6,79,256.00
Loan Amounts taken from Key management Personnel		1,50,000.00		-
Loan Amounts repaid to Key management Personnel		-		45,78,000.00
Remuneration to Relatives of Key management Personnel		26,27,600.00		23,82,880.00

c Related Parties (as defined in Section 2(76) of the Companies Act 2013(Other than above)

Sattva Hitech and Conware Private Limited	Company in which director(s) is/are Director(s)
Sattva Logistics Private Limited	Company in which director(s) is/are Director(s)
Vishaka CFS and Logistics Private Limited	Company in which director's Relative is/are Director(s)
Sattva CFS and Logistics Private Limited	Company in which director's Relative is/are Director(s)
Durai Shipping and Services P Ltd	Company in which director's Relative is/are Director(s)
Sical Sattva Rail Terminal Private Limited	Company in which director's Relative is/are Director(s)
Western gateway Cargo Services Private Limited	Company in which director's Relative is/are Director(s)
Sattva Industries Private Limited	Company in which director's Relative is/are Director(s)
Sattva Agro Expo Private Limited	Company in which director's Relative is/are Director(s)

28 Contingent Liabilities & Commitments

Counter Guarantee issued in favour of the bank in consideration of bank guarantees issued
Capital Commitments not provided for

4291.50 Lakhs

Nil

2750.00 Lakhs

Nil

29 Employee benefit Plans :

a

Defined Contribution plans : The Company has Defined Contribution plans for post employment benefits namely Provident Fund and Pension Scheme The Company contributes to a Government administered Provident Fund and Pension Scheme and has no further obligation beyond making its contribution. The Company's contribution to the above funds is charged to revenue every year.

b

Defined Benefit Plans: The Company has a defined Gratuity plan for the gratuity payable to employees on death or retirement. The Plan which was started in the financial year 2018-19 is administered by the Life Insurance Corporation of India through Group Gratuity Scheme. The periodic contribution to the scheme is determined by Life insurance Corporation of India based on actuarial valuation. The other statutory disclosures required under AS 15(revised) are as below:

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Notes Accompanying Financial Statements for the year ended 31st March 2024

		31-03-2024	31-03-2023
i	Assumptions		
	Discount Rate	7.25%	7.25%
	Salary Escalation	5.00%	5.00%
ii	Table Showing Changes in present value of obligations As on		
	Present Value of obligations as at beginning of year	46,92,494.00	46,58,614.00
	Interest cost	3,40,206.00	3,26,103.00
	Current Service Cost	3,46,175.00	3,84,113.00
	Benefits Paid	-7,77,418.00	-3,45,595.00
	Actuarial (gain)/loss on obligations	6,93,897.00	-3,30,741.00
	Present Value of obligations as at end of year	52,95,354.00	46,92,494.00
iii	Table showing changes in the fair value of plan assets As on		
	Fair value of plan assets at beginning of year	28,55,314.40	10,82,033.15
	Expected return on plan assets	2,34,791.00	1,95,392.00
	Contributions	9,79,304.57	19,23,484.25
	Benefits Paid	-7,77,418.00	-3,45,595.00
	Actuarial gain/(loss) on plan assets	Nil	Nil
	Fair value of plan assets at the end of year	32,91,991.97	28,55,314.40
iv	Table showing fair value of plan assets		
	Fair value of plan assets at beginning of year	28,55,314.40	10,82,033.15
	Actual return on plan assets	2,34,791.00	1,95,392.00
	Contributions	9,79,304.57	19,23,484.25
	Benefits Paid	-7,77,418.00	-
	Fair value of plan assets at the end of year	32,91,991.97	32,00,909.40
	Funded status	-20,03,362.03	-14,91,584.60
	Excess of actual over estimated return on plan assets		
	Actual rate of return = Estimated rate of return as ARD		
	fails on 31 st March)	Nil	Nil
v	Actuarial Gain/Loss recognized as on		
	Actuarial (gain)/loss on obligations	6,93,897.00	-3,30,741.00
	Actuarial (gain)/loss for the year-Plan assets	Nil	Nil
	Actuarial (gain)/loss on obligations	6,93,897.00	-3,30,741.00
	Actuarial (gain)/loss recognized in the year	Nil	Nil
vi	The amounts to be recognized in the balance sheet and statements of profit and loss		
	Present value of obligations as at the end of year	52,95,354.00	46,92,494.00
	Fair value of plan assets as at the end of the year	32,91,991.97	32,00,909.40
	Funded status	-20,03,362.03	-14,91,584.60
	Net asset/(liability) recognized in balance sheet	-	-
vii	Expenses Recognised in statement of Profit and loss		
	Current Service Cost	3,46,175.00	3,84,113.00
	Interest cost	3,40,206.00	3,26,103.00
	Expected return on plan assets	-2,34,791.00	-1,95,392.00
	Net Actuarial (gain)/loss	6,93,897.00	-3,30,741.00
	Expenses recognized in statement of profit and loss	30,03,362.00	20,00,000.00

Note: The above figures are provided by the Life Insurance Corporation of India the service provider for Group gratuity Scheme for the company's employees and is relied as such by the management and auditors.

Sattva Engineering Construction Private Limited

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Notes Accompanying Financial Statements for the year ended 31st March 2024

30 Statement of significant ratios for the year ended 31st March 2024

Sl No.	Particulars	Numerator/Denominator	Numerator	Denominator	31-Mar-24	31-Mar-23	Change in %
1	Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	All current assets including cash and cash equivalents	All Current liabilities including provisions	1.32	1.29	2.39%
2	Debt-Equity Ratio	$\frac{\text{Debt}}{\text{Equity}}$	All borrowings (short and Long Term)	Shareholders Equity and Free Reserves	1.23	1.49	-17.55%
3	Debt-Service Coverage Ratio	$\frac{\text{Earning Available for Debt Service}}{\text{Interest + Installments}}$	Profit after Tax and interest paid	Repayment obligations of all debt including interest	1.33	0.94	41.74%
Improvement due to better management and swapping of Long term Liabilities							
4	Return on Equity Ratio	$\frac{\text{Profit After Tax}}{\text{Net Worth}}$	Profit after Tax	Shareholders Equity and Free Reserves	17.45%	4.81%	262.85%
increased profitability in this year							
5	Inventory Turnover Ratio	$\frac{\text{Total Turnover}}{\text{Average Inventories}}$	Total Operating Turnover	Average Inventories	3.52	3.51	0.30%
6	Trade Receivable Turnover Ratio	$\frac{\text{Total Turnover}}{\text{Average Account Receivable}}$	Total Operating Turnover	Average of Opening and closing Balance of Trade Receivables	1.72	2.47	-30.37%
Higher Receivable position due to delayed realisation of government project dues							
7	Trade Payables Turnover Ratio	$\frac{\text{Total Turnover}}{\text{Average Account Payable}}$	Total Operating Turnover	Average of Opening and closing Balance of Trade Payables	2.79	3.06	-8.93%
8	Net Capital Turnover Ratio	$\frac{\text{Total Turnover}}{\text{Net Working Capital}}$	Total Operating Turnover	Current Assets - Current Liabilities	3.84	4.71	-18.40%
9	Net Profit	$\frac{\text{Net Profit}}{\text{Total Turnover}}$	Profit after Tax	Total Operating Turnover	5.93%	1.24%	377.86%
increased profitability in this year							
10	Return on capital employed	$\frac{\text{Net Profit}}{\text{Capital Employed}}$	Profit after Tax	Shareholders Funds + Borrowings	7.82%	1.91%	308.47%
increased profitability in this year							
11	Return on Investment	$\frac{\text{Net Profit}}{\text{Total Investment}}$	Profit after Tax	Non Current Assets + Net Current Assets	5.09%	1.21%	319.41%
increased profitability in this year							

31 Other Information

a There are no amounts exceeding Rs. 1.00 lakh due to any small scale undertaking/or any amount due to Medium Micro and Small enterprises.

b The Company has no pending litigations which have a financial impact.

c Title deeds of Immovable Property not held in name of the Company

Relevant line item in the Balance sheet	Plant Property & Equipment
Description of item of property	900 sq.ft of Land with 3200 sqft of Office Building area in the 4th Floor with Parking area for 4 cars at building know as Greams Dugar in Greams Road, Chennai
Gross carrying value	18,337,840.00
Title deeds held in the name of	S SESHADRI
Whether title deed holder is a promoter, director or relative# of promoter*/director or employee of promoter/director	DIRECTOR
Property held since which date	9/11/2013
Reason for not being held in the name of the company**	The Property was purchased in the name of S Seshadri Director of the company as, at the time of purchase, the bankers of the company expressed their inability to provide a loan for purchase of the said property and the company was forced to approach another bank for the same. As the bankers did not issue a no objection certificate to the company to avail multiple banking facilities, the property was purchased in the name of the Director. An unconditional undertaking was obtained from the director that the property belongs to the company and will be transferred to the company on demand. There are no

d Disclosure requirements of quantitative details are not applicable to the company as it is in a service industry.

e The company has no foreign exchange earnings or outgo during this year or in the previous period.

See Accompanying Notes to Financial Statements
As per our report of even date attached
For Nathan & Co (FRN 002429S)
Chartered Accountants

sd/-
Rajagopalakrishnan R
Partner
UDIN: 24200442BKAIEE7826
Membership No. 200442
Place : Chennai
2nd September 2024

sd/-
S Seshadri
Director
(DIN: 00161517)
sd/-
R Sekar
Director
(DIN : 00207519)
Place : Chennai
2nd September 2024