

Ref No: PSPPROJECT/SE/42/20-21

August 26, 2020

Corporate Relations Department
BSE Limited
Floor 25, P.J. Towers,
Dalal Street, Mumbai- 400 001
Scrip code: 540544

Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai – 400051
Scrip Symbol: PSPPROJECT

Dear Sir/Madam,

Subject: Annual Report for the financial year 2019-20

Pursuant to Regulation 34(1)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Annual Report of the company for the Financial Year 2019-20 including the Notice of 12th Annual General Meeting of the company scheduled to be held on Friday, September 18, 2020 through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM").

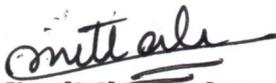
The Annual Report is also available on the Company's website at www.pspprojects.com.

Kindly take the same on your record.

Thanking You,

For **PSP Projects Limited**




Mittali Christachary

Company Secretary and Compliance Officer

Encl: As above



**Bigger.
Better.
Stronger.**

Annual
Report **19-20**

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Forward-looking Statements

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

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Bigger

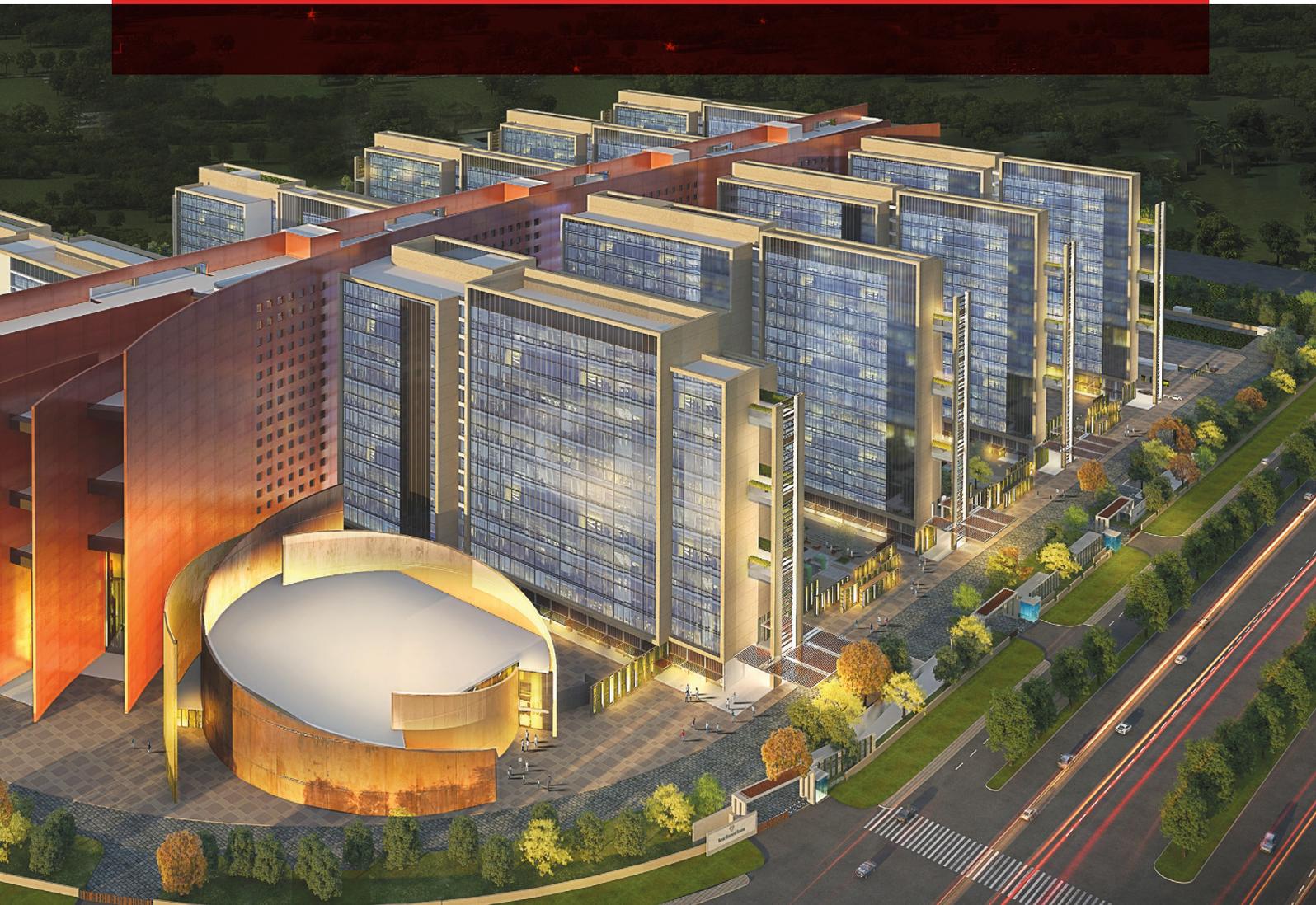
by expanding our scale and size

Better

by continually evolving with time

Stronger

with our team and experience





PSP Projects is Bigger, Better and Stronger than Ever Before!

We, at PSP Projects, clocked the highest revenue in our history, reaching nearly ₹1,500 Crores – an increase of 44% on a year-on-year basis. Our other financial metrics such as EBITDA and PAT also recorded an all-time high. These are outstanding achievements, considering that we are a fairly young player on the block, just 12 years since we began our illustrious journey, and they have been delivered against a challenging operating backdrop.

Our impressive financial numbers irrefutably establish PSP Projects as among the fastest-growing construction companies in India and a bigger player in the industry.

Our constructions - always best-in-class, always on time and always top-notch quality - are solid evidence of our execution prowess. For operational efficiency and optimised inventory levels, we have adopted technology. Our disciplined and diligent approach towards project execution has enabled us to efficiently manage working capital requirements to deliver industry-leading return ratios.

Entering 2020-21, we have the largest order book in our history – a feat that endorses our belief that we are recognized in the industry as a better construction company.

The ongoing Surat Diamond Bourse project, the largest single-site project we have undertaken till date, will significantly enhance our prequalification credentials, enabling us to take up higher financial and technical bids. Armed with our experience, we have also expanded our geographical footprint and are now aggressively eyeing construction projects in new verticals.

In a capital-intensive sector, we are among the select few construction companies with a cash-rich balance sheet, making us a stronger entity that is positioned to scale new heights.

A Bigger, Better, Stronger Entity

Incorporated in 2008, PSP Projects is among India's fastest-growing construction companies offering a diversified range of construction and allied services across industrial, institutional, government, government residential, and residential projects in India. We are headquartered in Ahmedabad, Gujarat and currently have projects in five states.

Since inception, we have been growing from strength to strength, supported by our extensive experience and multidisciplinary capabilities. One of our most distinguishing features is our unwavering commitment to timely and quality execution of our projects, which has enabled us to establish a strong brand recall in the industry.



Our vision

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

To become the preferred construction Company in the infrastructure industry.

Our mission

Build to Last

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

What are our Credentials

Our certifications

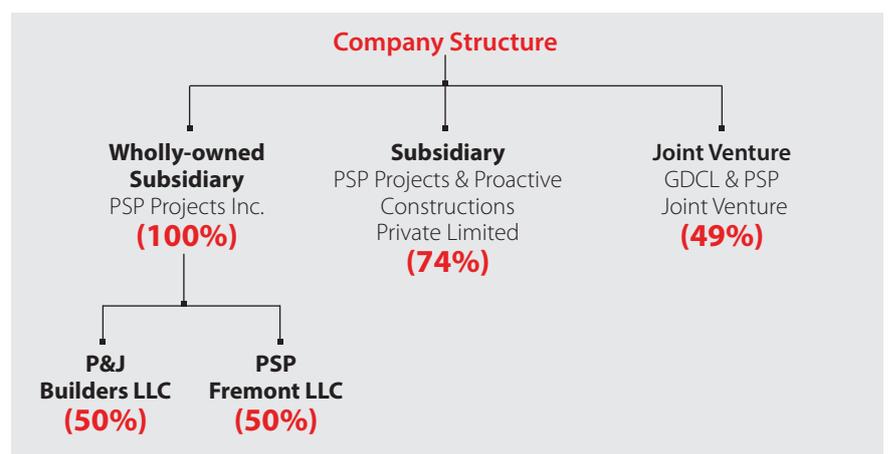
ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018

Our credit ratings

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

Our strengths

- ✔ Successful and timely project execution
- ✔ Strong prequalification credentials
- ✔ Good hold on our core market
- ✔ Diverse project capabilities
- ✔ Cash-rich balance sheet
- ✔ Technology-enabled operations
- ✔ Solid customer relationships
- ✔ Captive equipment bank



PSP Projects in Numbers



Years of experience



Projects completed till March 31, 2020



Projects under execution as on March 31, 2020



Standalone revenue in 2019-20, the highest since inception



Standalone Net Profit as on March 31, 2020



Order book as on March 31, 2020



Contract value of Surat Diamond Bourse Project which is under execution, our single-largest project till date



Share of revenue from industrial and institutional segments in 2019-20



Employees on payroll as on March 31, 2020



Investment in Plant & Machinery as on March 31, 2020



Project Segmentation



Industrial Projects

Our niche: Construction of industrial buildings for pharmaceutical plants, food processing units, engineering units as well as manufacturing and processing facilities. Rich experience in catering to pharmaceutical manufacturers

Projects completed: 55



Institutional Projects

Our niche: Construction of buildings for hospitals and healthcare services, educational institutes, malls, hospitality services and corporate offices

Projects completed: 53



Government Projects

Our niche: Challenging and prestigious government projects

Projects completed: 21



Government Residential Projects

Our niche: Execution of prestigious government affordable residential projects

Projects completed: 3

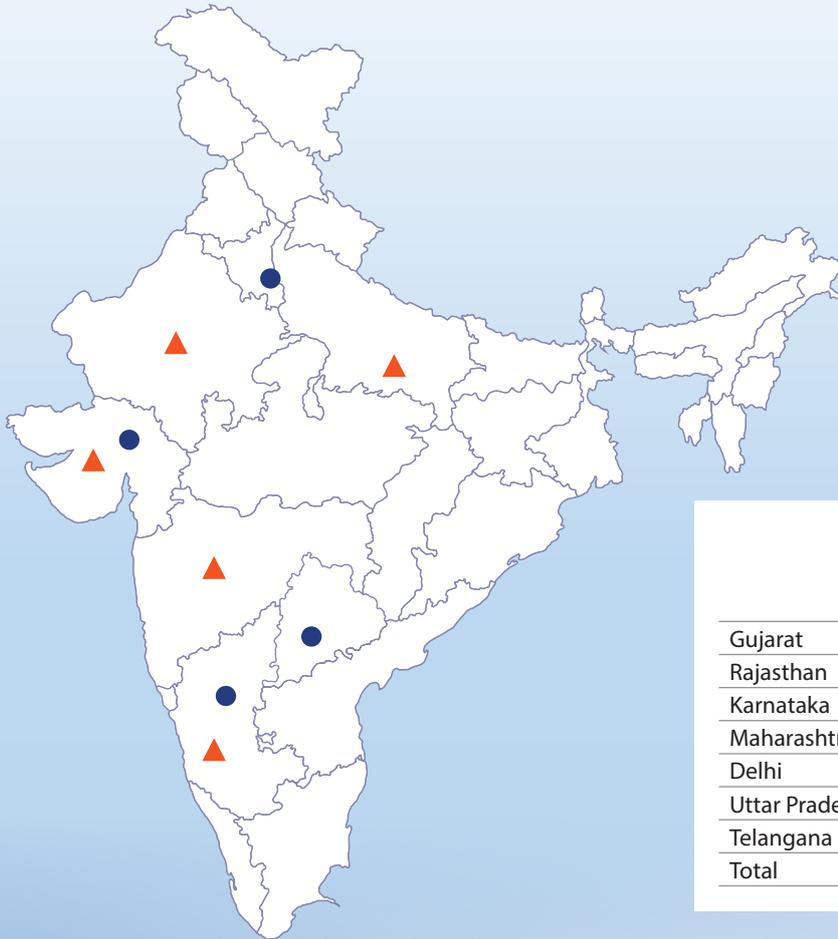


Residential Projects

Our niche: Construction of buildings for group housing and townships

Projects completed: 11

PAN India Presence



- Number of projects completed
- ▲ Number of projects ongoing

	Number of projects completed	Number of projects ongoing
Gujarat	139	39
Rajasthan	–	3
Karnataka	2	2
Maharashtra	–	2
Delhi	1	–
Uttar Pradesh	–	1
Telangana	1	–
Total	143	47

Map not to scale. For illustrative purposes only.



Major ongoing projects

Project	Name of the Client	Total Contract Value (₹ in Crores)	Outstanding Contract Value (₹ in Crores)
Surat Diamond Bourse Main Contract Works at Surat, Gujarat	SDB Diamond Bourse	1,575.00	618.29
EWS Housing Project at Bhiwandi, Maharashtra	Municipal Corporation	601.40	601.40
Development of Shri Kashi Vishwanath Dham at Varanasi, UP	Public Works Department	339	333.44
IIM Ahmedabad	Indian Institute of Management	328.01	270.62
Affordable Housing Project at Pandharpur, Maharashtra	Pandharpur Municipal Corporation	157.55	142.51
Phoenix Mall at Ahmedabad, Gujarat	SGH Realty LLP	139.09	106.34
Sabha Hall & Residential Complex at Ahmedabad, Gujarat	Private Trust	104.60	104.60
Zydus Hospital at Baroda, Gujarat	Zydus Hospitals & Healthcare Research Pvt Ltd.	106.91	95.87
Multi-tenanted office at Gandhinagar, Gujarat	Dalal Street Commercial Cooperative Housing Society Ltd.	130.50	94.05
Civil/Structural works for FMCG Company at Ahmedabad, Gujarat	Private Company	99.73	90.20
Residential Complex for Pharma Company at Dahod, Gujarat	Pharma Company	78.93	73.92
Construction of Medical College at Dahod, Gujarat	Medical Foundation	225	56.34
Hospital on Lumpsum Turnkey Basis at Sitapur, Gujarat	Corporate Foundation	77.39	55.98
Super Specialty Block of Medical College at Bhavnagar, Gujarat	Government PSU	78.60	46.41

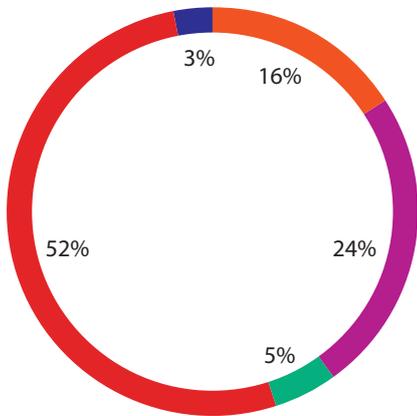
Operational Highlights

New orders

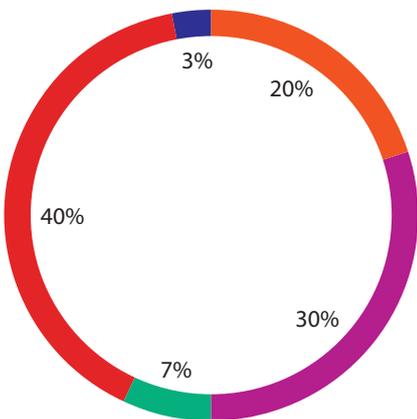
Awarded new orders worth ₹1,578 Crores

Category-wise order book segmentation as on March 31, 2020

Including Surat Diamond Bourse



Excluding Surat Diamond Bourse



Marquee projects awarded to us during the year include:

Second Affordable Housing Project at Maharashtra worth

₹601.40 Crores

Development of Shri Kashi Vishwanath Dham at UP worth

₹339 Crores

Construction of Phoenix Mall at Ahmedabad, the largest in Gujarat worth

₹139.09 Crores

Construction works for a leading FMCG Company at Ahmedabad worth

₹99.73 Crores

Geographic diversification

- Continue to expand our footprint outside Gujarat in the states of Maharashtra, Rajasthan, and Karnataka
- Commenced work on our first project in UP (Shri Kashi Vishwanath Dham at Varanasi)

Major projects completed

1. Commercial Building at GIFT City, Gandhinagar
2. Zydus Corporate House at Ahmedabad
3. Punishka Healthcare Plant at Ahmedabad
4. Bangalore Milk Union Dairy Plant at Kanakpura, Karnataka
5. Grand Mercury Hotel for Brigade Group at Gift City, Gandhinagar
6. Medical College and Hospital for Dharamsinh Desai University (DDU) at Nadiad, Gujarat

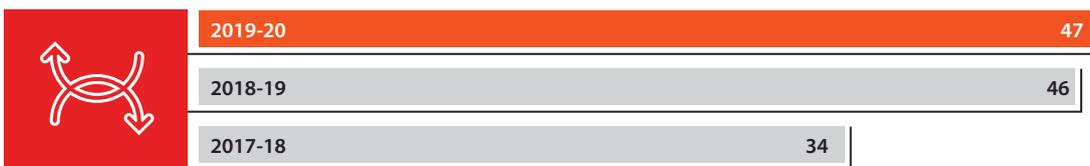
Order Book (₹ in Crores)



Average ticket size of orders (₹ in Crores)



Number of Concurrent Projects

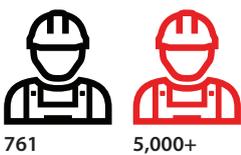


Total investments in plant and machinery (₹ in Crores)

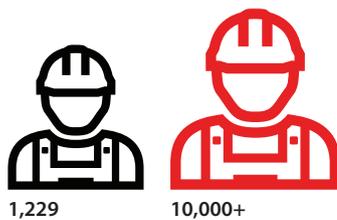


Manpower

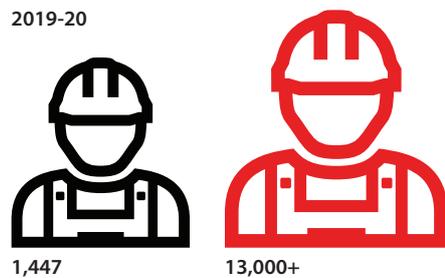
2017-18



2018-19



2019-20

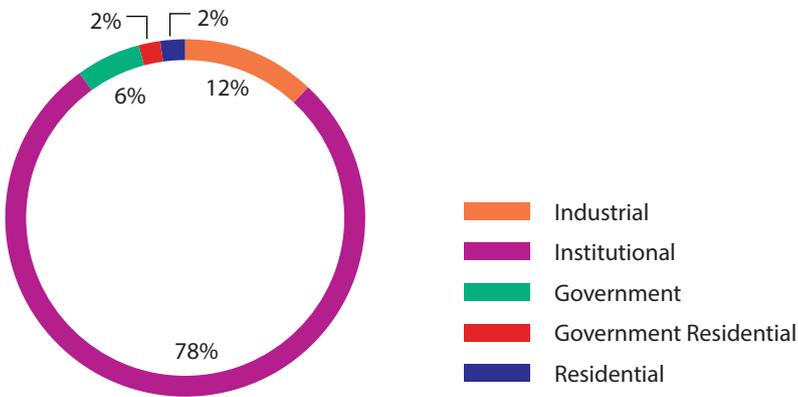


Employees

Contractual Laborer

Financial Highlights

Category-wise Revenue Segmentation as on 2019-20



Revenue from Operations (₹ in Crores)

2019-20	1,499.26
2018-19	1,044.01
2017-18	729.83

EBITDA (₹ in Crores)

2019-20	190.98
2018-19	148.94
2017-18	101.28

Profit after Tax (PAT) (₹ in Crores)

2019-20	129.13
2018-19	90.22
2017-18	64.34

EBITDA Margin (%)

2019-20	12.74
2018-19	14.27
2017-18	13.88

ROCE (%)

2019-20	30.88
2018-19	31.36
2017-18	27.79

Gearing Ratio (bps)

2019-20	0.02
2018-19	0.005
2017-18	0.01

EPS (₹)

2019-20	35.91
2018-19	25.07
2017-18	18.45

Interest Coverage Ratio

2019-20	18.34
2018-19	21.89
2017-18	15.37

Marquee Clientele

Surat Diamond Bourse (SDB)

Zydus Cadila

Torrent Pharma

IIM Ahmedabad

Maruti Suzuki Foundation

The Gujarat Cancer Society, Ahmedabad

Dharmsinh Desai University

Ahmedabad University

Pandit Deendayal Petroleum University

Brigade Group

Manmul Bangalore

Puniska Enterprises

Pandharpur Municipal Corporation

Bangalore Milk Union Ltd.

CEPT University

Farpoint Properties LLP

SGH Realty

Bsafal Group

Dalal Street



Endorsing our Excellence

Awards and recognition to our Company

ICI-UltraTech Outstanding Structure Awards 2020 (State) in commercial category awarded to ONE42 Project

ICI-UltraTech Outstanding Structure Awards 2020 (Regional) in institutional category awarded to Lilavati Library at CEPT Project

ICI-UltraTech Outstanding Structure Awards 2020 (Regional) in mass-housing category awarded to GHB Naranpura Project

Second Fastest-growing Construction Company and Top Challengers Award, 2019

Company of the Year-Construction Award by Zee Business 'Dare to Dream Awards'

Felicitation to Gujarat Vidhansabha Project as 'IGBC New Building – Gold 2019'

Fastest-growing Construction and Engineering Company by CREDAI at Gujarat Growth Ambassadors Summit, 2019

Special commendation for building high-quality and innovative infrastructure at CNBC Bazaar Gujarat Real Estate Awards, 2018-19

Jury Award by Gujarat Contractor Association

CSR Excellence Award for Outstanding Contribution

Construction World's Top Challengers of 2017-18

'The Most Admired Multidisciplinary Construction Company of The Year (Gujarat)', 2015-16

Excellence in Delivery to our Project – 'The Signature' by Hiranandani

Quality Mark Award 2017

Affordable Housing Project of the Year Award to our project GHB Naranpura, 2016

Excellent Contractor of The Year, 2015-16

Awards and Recognition to our Chairman Mr. Prahaladbhai Shivrambhai Patel

Patidar Udhog Ratna Award by Sardardham, 2020

'Times Inspiring Entrepreneur Award' for the fastest-growing construction company of the year, 2020

'CXO of the Year' by Realty Plus Excellence Awards, 2019

'The Ace Achievers Award' by TV9 Gujarati, 2019

'Hercules Award' by Gujarat Innovation Society (GIS), 2017

'Most Respected Entrepreneur Award (Construction)' by Hurun Report India 2018



Chairman's Letter



Dear Shareholders,
 I take great pride in presenting the Annual Report 2019-20 of your Company. When we pass through tough times and come out of it stronger, that adds to our sense of self-worth and confidence and validates our belief that we are capable of thriving despite challenges.

With 12 years in the business so far, we have delivered a total of 143 projects, averaging one project every month all throughout the Company's existence. Every project cements our reputation for not just delivering a state-of-the-art building (or building complex) but also delivering great value for the client by executing it within schedule, within budget, and with utmost attention to quality and safety. Every passing year sees our Company building further upon its market reputation as a one-stop shop for all building solutions, from concept, design, and execution to all MEP Services till maintenance works.

With 23 project completions during 2019-20, we scored the highest number in our Company's history so far, and we strive to go only higher. This includes the delivery of six marquee projects: Commercial Building at GIFT City; Zyduz Corporate House at Ahmedabad; Puniska Healthcare plant; Bangalore Milk Union Dairy plant at Kanakpura, Karnataka; Grand Mercury hotel at GIFT City for Brigade Group; Medical College and Hospital for Dharmsinh Desai University.

Each project completion wins us clients' trust, repeat orders, new orders, and increases our pre-qualification credibility. That is how we stay ahead in the race, crossing all the hurdles.

Business performance review

The year under review was a difficult one for the construction industry in India. The second quarter of the year saw one of the lowest growth periods in about a decade, and by the end of the third quarter, realty was in even deeper trouble because of the liquidity crisis in the NBFC (non-banking financial companies) sector and its cascading impact on borrowing abilities. And then, there was the COVID-19 pandemic, which stopped the world in its tracks, and certainly impacted our operations, as construction is one area where remote work is not possible.

WITH 23 PROJECT COMPLETIONS DURING 2019-20, WE SCORED THE HIGHEST NUMBER IN OUR COMPANY'S HISTORY SO FAR, AND WE STRIVE TO GO ONLY HIGHER.



However, at PSP, we swam against the tide, getting bigger, better, stronger, as validated by our numbers. We finished 2019-20 with an uptick in all key business metrics, including winning new orders worth ₹ 1,578 Crores, up more than 11% from ₹ 1,415 Crores in the previous year. These are measures of clients' trust in us, earned by our tight rein on time, cost, and quality control. Major new projects include our second affordable housing project in Bhiwandi, Maharashtra with an order value of ₹ 601 Crores; Shri Kashi Vishwanath Dham beautification in Uttar Pradesh with an order value of ₹ 339 Crores; and Gujarat's largest Phoenix Mall at Ahmedabad with an order value of ₹ 139.09 Crores.

At ₹ 1,499.26 Crores, our standalone revenue for the year was the highest since the Company's inception, and we ended the year with an order book of ₹ 3,073 Crores. Once again, a remarkable achievement, I would say, for a Company that was born in 2008, the year when the world saw its biggest financial crash in decades, and now has touched revenues of nearly ₹ 1,500 Crores, in a year marked by another unprecedented crisis. Our focus on industrial and institutional segments has many strategic advantages, and during the year, these two segments accounted for 90% of our revenues.

The jewel in our crown, our single-largest project to date, the Surat Diamond Bourse Project worth ₹ 1,575 Crores, is under execution. We realized revenue of ₹ 957 Crores up to March 31, 2020 out of which ₹ 542 Crores was realized in 2019-20, and have finished 61% of the project. Civil works on the project have been completed, while MEP and other ancillary works are going on. Because of the COVID-19 pandemic, the social distancing, the lockdown, and the reverse migration of laborers from cities to villages, there will be an impact for one or two months in the completion of the project beyond its target completion date of March 2021. The turmoil over the pandemic caused a delay in approval of the finishing material and laborer shortage towards the end of March. These were major roadblocks, but we intend to deliver this flagship project as promised after factoring in this force majeure situation. Its timely delivery will do wonders for our Company's stature and credibility, making us eligible to bid for larger projects, helping us move to the next phase of growth.

Covid-19 impact

While we progressed through another year of growth and strengthened our operational excellence, the novel coronavirus pandemic is an unforeseen crisis about which one could not do much. Human health has always been our first priority, and all other considerations were put on the backburner. Our main focus at this time was on standing by all our stakeholders, especially the thousands of workers at our sites by offering them all support within our means.

Our site operations had to be closed from the last week of March 2020, because of the lockdown; thus the COVID-19 impact on the year under review was negligible though we saw substantial impact in Q1FY21.

On a positive note, migrated labour availability began increasing quickly once the lockdown was eased, and by end of July 2020, we achieved 80% of labour strength back at our sites. Access to construction material also improved considerably; simultaneously,

₹ 3,073 Crores

**Order Book as on
March 31, 2020**

new project inquiries have also started floating in the market. Further, by the end of June 2020, around 90% of our projects had seen resumption of activity, while the other 10% was still stalled as the projects fall under highly affected areas.

Exciting Future

Our diversified offerings, robust capabilities, and continuous perseverance are led by our focus areas of timeliness, quality, and safety, and our vision of growing bigger and bigger, going from strength to strength. We believe that the year under review has proved it beyond any reasonable doubt that PSP stands among the best. While Gujarat remains our core market, and we are well-positioned to tap new construction projects in and around GIFT City Gandhinagar, Dream City, Surat, and noteworthy Gujarat Industrial Development Corporation (GIDC) projects at Sanand, Dahej, Becharaji etc., we have also established ourselves in other zones of India by delivering several quality projects in Maharashtra, Rajasthan, Uttar Pradesh, and Karnataka. Our portfolio includes affordable housing, aside from Smart City and institutional construction along with industrial and marquee government projects. We are both consolidating and expanding our presence, with the strategic target of making PSP a pan-India name as a prominent EPC company. Additionally, the more we diversify and spread our geographical footprint, the more we de-risk the business.

We are setting up a state-of-the-art manufacturing plant for precast concrete building and allied infrastructure elements near Sanand, Gujarat. The plant will have an annual production capacity of 3 Mn sq. ft. once fully operational. We are currently undertaking the first phase of the facility, which will have an annual production capacity of 1 Mn sq. ft. The first phase is slated to be operational by May 2021. The plant will empower our efforts to drive seamless quality, speed in delivery, larger volumes in controlled environment and reduce dependence on manpower. This facility will also strengthen our technical capabilities to execute our ongoing projects. Further, it will produce a wide range of products used in infrastructure and general development projects, which can be sold directly to infrastructure companies, EPC contractors, real estate developers, thereby enhancing our service offerings.

In conclusion, driven by passion and commitment, we are optimistic about the bright future of the construction industry, as urbanization, industrial growth and smart cities will only increase in India. I take this opportunity to thank you all, our shareholders and all other stakeholders, for helping PSP go from strength to strength.

Prahaladbhai Shivrambhai Patel
Chairman

We are getting bigger, better and stronger – attributes that are amply reflected in the way we operate, the projects we undertake, our comprehensive portfolio of services, expanding geographical footprint and strong financial performance.

Each of our constructions, irrespective of its size, purpose, and complexity – some are nation’s pride, some serve as learning institutes of excellence, some are sophisticated hospitals while some are robust industrial buildings customized to meet our customer’s requirements – are solid evidence that we deliver the highest standards of quality, service and value for every project.



Our unwavering pursuit of excellence has built consistency in our performance and underpins our growth. Leveraging our position as a trusted and admired construction company, we will continue to push the boundaries of achievements. Tapping opportunities in new verticals and geographies while optimizing our project mix; enhancing our project execution capabilities while growing the competency of our team; and augmenting our customer relationships while ensuring the safety and welfare of our workforce, we are poised to create a bigger, better and stronger tomorrow for all our stakeholders.



Prestige Fintech

IBIS Hotel by Brigade

BSE Brokers Forum

World Trade Center

Brigade International Finance Center

The Signature by Hiranandani

Actual Picture of PSP's projects at Gift City, Gandhinagar.

Bigger. Better. Stronger.

By delivering quality on time

At PSP Projects, we pride ourselves on our diligent approach to project management and delivery. Excellence in project quality and timely completion provide a compelling value proposition to our customers and help us earn the respect and admiration of our clients and industry.

OUR ENDEAVOUR IS
TO DELIVER A VALUED
EXPERIENCE TO OUR
CLIENTS.



Our unwavering commitment to quality work and on-time delivery is ingrained in every stage of the project lifecycle. From planning, design and scheduling to materials, construction, and environmental and safety practices, we embed quality into every step.

Further, our endeavor is to deliver a valued experience to our clients. Tighter deadlines do not frighten us; instead, it galvanizes us to complete projects on schedule. Our strong record of timely completion of projects stands testament to our project execution capabilities. This strong record combined with world-class quality and safety performance has enabled us to ensure smooth execution of projects and deliver industry-leading performance. Our market-leading status is reflected in the repeat orders we secure from marquee clients. Cementing this reputation are also some of the most prestigious projects that we have to our name. With our proven potential, we are now poised to grow our business.



THE RELENTLESS EFFORTS OF OUR DEDICATED TEAM HAVE HELPED US CARVE OUR REPUTATION AS AN EFFICIENT AND QUALITY EXECUTIONER OF PROJECTS.



How we make this possible

Responsible ownership

We believe maintaining the highest standards of excellence is a responsibility of the entire organization - from the top to the bottom. Our dynamic and experienced management team continues to do what it takes to ensure successful project execution. Our leadership team is highly involved at every stage of project execution, visiting each site, irrespective of the size of contract, value, or location, at regular intervals. Together with the hands-on approach of the management, the relentless efforts of our dedicated team have helped us carve our reputation as an efficient and quality executioner of projects.

Technological prowess

With our technology edge, we have further reinforced our competitiveness as a leading provider of infrastructure marvels. We leverage cutting-edge technology solutions at our construction sites for smooth functioning of operations. Deployment of ERP solutions has enabled us to optimize inventory levels, ensure transparency in operations, and preserve a solid financial structure. In addition, we have also invested in advanced CANDY technology which has been designed by a construction company to address the core customized needs of the construction industry. This technology has facilitated accurate cost estimation, budgeting, planning, and monitoring, leading to a phase-wise understanding of resource requirements and consumed a third of the time taken through manual intervention.

Bigger. Better. Stronger.

By undertaking the prestigious SDB Project



Our proficiency in project execution, strong experience, and robust financial performance enable us to meet the qualification requirements for large and complex projects. The successful ongoing execution of the Surat Diamond Bourse project further reiterates our growing strength and boosts our confidence.

BEING THE SINGLE-LARGEST PROJECT SECURED IN OUR OPERATING HISTORY, SDB PROJECT IS OF VITAL IMPORTANCE TO US.

The Surat Diamond Bourse (SDB) project, awarded to PSP Projects, is a part of the upcoming mammoth Surat DREAM City in Gujarat. On completion, the project is expected to become the world's largest diamond bourse and biggest office complex housing an enormous range of facilities.

Our Company won this project following rigorous bidding by some of the leading construction companies. This being the single-largest project secured in our operating history, it is of vital importance to us. PSP Project's stature as a leading construction company is reaffirmed, as the project is spread across a massive 35.54 acres, has a total built-up area of 6.6 million sq. ft., and encompasses over 4,200 offices for national and international traders. The scope of work includes civil, structure, finishing works and external finishes, all MEP works, and façade works.



Project status

Of the total contract of ₹ 1,575 Crores, we realized revenue of ₹ 957 Crores up to March 31, 2020, out of which ₹ 542 Crores was realized in 2019-20. Nearly 61% of the project value has been completed so far. Civil works have been completed; while items procured, MEP, and other ancillary works are going on. Previously, it was envisaged to complete the project by March 2021, however, there may be a delay of one or two months beyond March 2021 due to circumstances beyond our control.

Delay in approval for the finishing material was one of the challenges we faced in project execution. As it is a basic rate item, we were not able to commence the finishing work before finalization by the client. Further, the coronavirus outbreak and the subsequent nationwide lockdown in March 2020 resulted in labor shortage across the country, which also impacted the project execution in the last quarter of the fiscal year.

Towards a promising tomorrow

We are confident that this prestigious construction will speak volumes about our execution capability and reinforce our industry reputation. Despite the current challenges, we are steadfastly working to ensure project execution as per the revised timelines. As the project crosses 60% completion, it will make us eligible to bid for larger and more complex single projects. Our enhanced prequalification credentials will strengthen our growth prospects and put us in different growth orbit.

DESPITE THE CURRENT CHALLENGES, WE ARE STEADFASTLY WORKING TO ENSURE PROJECT EXECUTION AS PER THE REVISED TIMELINES



Bigger. Better. Stronger.

By being a one-stop solution provider

Within a short span, we have developed a comprehensive range of capabilities. Our emergence as a trusted end-to-end solution provider bolsters our value proposition to give us a competitive advantage.

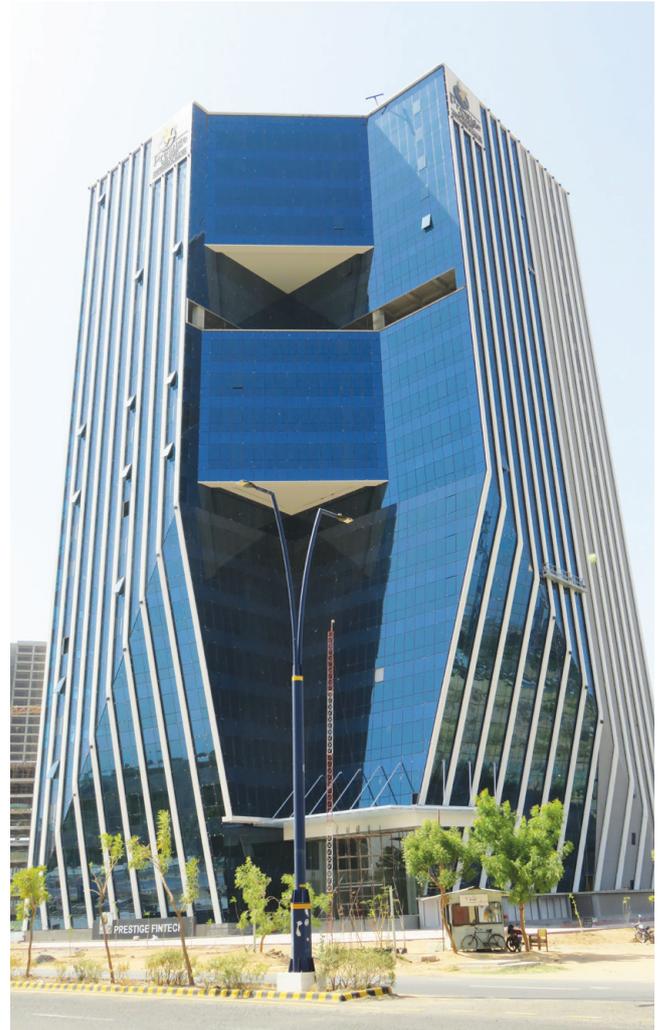
WE ARE COMMITTED TO ENSURE THAT OUR EXTENSIVE OFFERINGS SERVE OUR CUSTOMERS IN MORE WAYS, AND ACROSS DIVERSE SECTORS.



We commenced as a civil construction contractor and then steadfastly developed our capabilities across various project stages - business development, tendering, engineering and design, procurement and construction, project management and planning, project execution, operations and maintenance. From design to mechanical, engineering and plumbing (MEP), construction to interiors and operations and maintenance, the services we provide address all the aspects of construction lifecycle. We have also forged complementary alliances with major design firms and MEP consultants. We are one of the rare contractors who also undertake large scale interior fitouts, as demonstrated for the renovation of the Vidhansabha building in Gujarat.

We are committed to ensure that our extensive offerings serve our customers in more ways, and across diverse sectors. We have developed a strong track record in construction of buildings across multiple segments, particularly for pharmaceutical, healthcare, and FMCG industries. As we broaden our customer base and expand our customer relationships by moving up the value chain and integrating multiple services, we are upbeat about winning more work and delivering stronger performance year-on-year.

WITH OUR DIVERSIFIED OFFERINGS AND PROFICIENCY ACROSS INDUSTRY VERTICALS, WE ARE WELL POSITIONED TO INCREASE OUR REVENUE AND PROFITABILITY WITH REPEAT ORDERS FROM OUR MARQUEE CLIENTS AS WELL AS FRESH WINS FROM NEW CLIENTS.



Growing through our integrated offerings

We have been awarded a marquee interior project from the Gandhinagar Railway and Urban Development Corporation (GARUD). Under this contract, we are doing the interior work of the Leela Hotel at Gandhinagar Railway Station – the first project in India where a five-star hotel is being developed at a railway station.

Bigger. Better. Stronger.

By embedding efficient practices



OVER THE YEARS, WE HAVE CREATED SOLID BUSINESS ETHICS AND ADOPTED RESPONSIBLE BUSINESS PRACTICES, LEADING TO AN EFFICIENT WORK CULTURE.

Proficient project selection, better controls and unflinching focus towards compliance is what differentiates us. Led by our judicious approach, we have attained high standards in execution capabilities, financial performance and corporate culture, making us an industry outperformer.



Judicious working capital management

Strong oversight and operational efficiencies aid in efficient working capital management at PSP projects. We continuously endeavor to keep our working capital cycle at an optimum level. Our execution capabilities and ability to generate timely payment from clients has resulted in lowest receivable days in the industry. We select strategic projects with an aim to add value to our clients' plans, better manage working capital, and generate strong returns. At the same time, we leverage efficient ERP solutions to keep a close watch on the day-to-day operations and simultaneously optimize inventory levels. Our stringent working capital controls have enabled us to generate industry-leading return ratios.

Strong supplier relationships

Efficient management of funds facilitates timely payment to suppliers, resulting in stronger and sustainable creditor relations. Most of our suppliers have been with the Company since its inception. Therefore, we constantly ensure prompt payment to forge long-term relationships with our suppliers and contractors.

WE SELECT STRATEGIC PROJECTS WITH AN AIM TO ADD VALUE TO OUR CLIENTS' PLANS, BETTER MANAGE WORKING CAPITAL, AND GENERATE STRONG RETURNS.

Efficient work culture

Over the years, we have created solid business ethics and adopted responsible business practices, leading to an efficient work culture. We are not an owner-driven but a structured organization with a professional, experienced, and skilled team who always strive to meet challenges and ensure execution excellence. Leadership development is provided to all our employees to support their career aspirations. Every new joiner is given the opportunity to work under an experienced manager to develop deeper skill sets before taking on challenging roles. Our enriching and conducive work culture strengthens our capabilities and enables us to deliver better value to our customers.

Prudent capital allocation

In a capital-intensive sector, we stand apart for having developed the capability of executing projects without deploying large amount of capital. For most of our projects, we receive upfront mobilization advance from clients. This advance is used for purchasing raw materials and some initial equipment, if required. On the other hand, the upfront margin money given to banks to get performance bank guarantees is generated from internal funds. The ways in which we have built capital efficiency and predictability into our execution make us viable for repeated orders and new wins from clients.

Bigger. Better. Stronger.

By being at the center of opportunities

With a healthy order book and a buoyant opportunity landscape, we remain confident of gaining prestigious new orders. Our endeavor is to increase the strength and diversity of our business and reach new frontiers of growth.

Promising opportunities in Gujarat

Ranked amongst India's fastest-growing states, Gujarat occupied the fifth spot in the World Bank's ease of doing business rankings 2018 among all the states and Union Territories. The state is a leader in various sectors, including pharmaceuticals, petrochemicals, textiles, automobiles, among others. Further, Gujarat continues to invest in its infrastructure to boost its economic and social development. Key projects include:

- **Delhi-Mumbai Industrial Corridor (DMIC):** DMIC is India's most ambitious infrastructure program with emphasis on expanding the manufacturing and services base and aim to creating futuristic industrial cities by leveraging the "High Speed - High Capacity" connectivity backbone provided by Western Dedicated Freight Corridor (DFC). Estimated investment in the project is USD 100 billion. Of the total 24 industrial nodes across the DMIC, 6 fall within the state of Gujarat.
- **GIFT City:** Gujarat International Financial Tec (GIFT) City in Gandhinagar is India's first international financial services and Information Technology (IT) hub that will serve customers outside the domestic economy. A slew of Indian lenders has operations at GIFT city with a pipeline of foreign banks in the fray to commence operations. It is expected to boost the state's vibrant financial sector and provide a perfect ecosystem for businesses to grow in Gujarat.
- **DREAM City:** The government of Gujarat laid the foundation stone for Diamond Research and Mercantile (DREAM) city to be spread across 2,000 acres in Surat. The Dream City will comprise



OUR PRESENCE IN THE DREAM CITY, THROUGH THE MONUMENTAL SDB PROJECT, WILL ENABLE US TO SCALE NEW ECHELONS OF PERFORMANCE.



the esteemed Surat Diamond Bourse, along with high-rise district area with landmark buildings, office complexes, schools and institutions, private and nationalized banks. This Smart City project will be a game-changer for Surat's economy and will drive growth to the next level.

- Smart Cities:** Under the Smart Cities Mission, six cities, namely Ahmedabad, Surat, Gandhinagar, Vadodara, Rajkot and Dahod are identified in Gujarat. Focus is on holistic development of the cities, while at the same time making Gujarat a world-class state.

We have earned a very high reputation in our core market of Gujarat. We are amongst the few organized building contractors involved in the prestigious GIFT City project, where we have executed various projects with finesse. Further, we will continue to benefit from burgeoning investments and strong demand in and around the GIFT city. Our presence in the Dream City, through the monumental SDB project, will enable us to scale new echelons of performance.

New opportunities through diversification

While we look to increase our presence in Gujarat, we are also aggressively expanding our footprint in the states of Maharashtra, Rajasthan, and Karnataka. We have also penetrated Uttar Pradesh by securing the prestigious government project of development of Shri Kashi Vishwanath Dham and its beautification at Varanasi.

We believe this will lay the foundation for our presence across the length and breadth of the country as we aim to establish a pan-India foothold.

Going forward, we intend to diversify to airport building vertical. In this regard, the announcement of development of 400 regional airports under the 'UDAAN' (Ude Desh Ke Aam Naagarik) scheme offers promising prospects for construction companies. We are also keen to enter the pre-cast and pre-engineered building segment. With our excellent track record in construction, we are confident about capturing these opportunities and growing our position in the industry.

Infrastructure development offers growth prospects

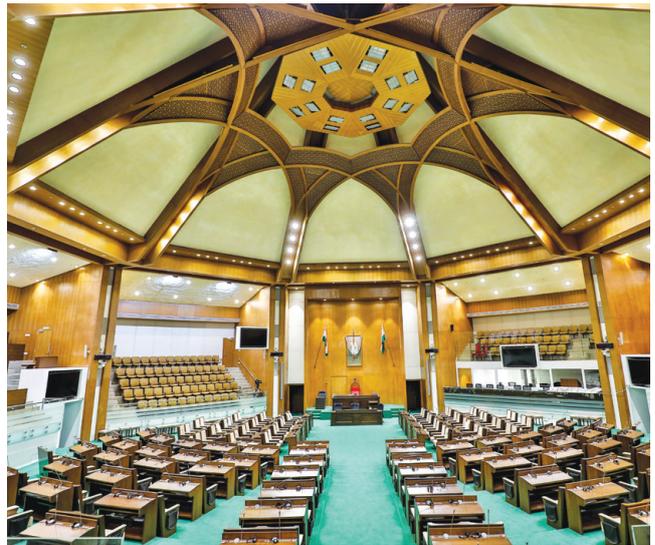
The Government's flagship infrastructure development schemes such as Make in India, Smart Cities, and Housing for All augur well for the construction sector. The Government has also earmarked ₹ 102 Trillion infrastructure as part of the National Infrastructure Pipeline over the next five years. In addition, game-changing policies such as GST and RERA have changed the face of the real estate sector and expected to benefit the residential segment.

Construction demand from institutional sector

Further, there is a growing demand of space from certain institutional sectors. Demand from healthcare segment has been on the rise, driven by rising incomes, greater health awareness, increasing lifestyle diseases, and higher access to insurance. Education sector, on the other hand, has been witnessing growth on the back of favorable policy reforms and increasing number of schools and institutions. Our strong track record across healthcare, education and FMCG positions us well to benefit from new construction activity within these segments.

WE WILL CONTINUE TO DIVERSIFY OUR BUSINESS BY WORKING ON DIFFERENT TYPES OF CONSTRUCTION PROJECTS, AS WELL AS INCREASING OUR CLIENT BASE AND GEOGRAPHIES WE SERVE. THIS STRATEGY OF MAINTAINING A GOOD BALANCE WITHIN OUR BUSINESS PORTFOLIO WILL ENABLE US TO CAPITALIZE ON THE VAST MARKET OPPORTUNITIES AND ENSURE LONG-TERM GROWTH.

Bigger. Better. Stronger. Our Interior Business Portfolio



Bigger. Better. Stronger.

By the efforts of our workforce

Commitment towards our employees



WE RECOGNIZE THE INDISPENSABLE CONTRIBUTION OF OUR EMPLOYEES IN ENSURING CONSTRUCTION EXCELLENCE FOUNDED ON OUR VALUES OF RESPONSIBILITY, INTEGRITY, AND COLLABORATION.

Our growth has been built brick-by-brick by the workers at our construction sites. Their passion and perseverance have enabled us to meet project timelines and deliver on our quality commitment.

With our workers laying the pillars of our success, we are cognizant of our responsibility towards them. To take care of their safety and welfare and ensure their health and happiness, we embrace the following practices at our project sites:

Housing

We recognize the importance of welfare of laborers in the construction industry. Since they travel across the remote locations of the country, it is imperative to provide them with basic amenities to enhance their wellbeing. We provide free accommodation to laborers in a housing colony built with prefabricated material. These housing colonies come with adequate electricity and sanitation facilities, and are situated in the vicinity of the construction site to minimize commuting time. In case workers bring their families, individual rooms (10ft x 10ft) with necessary amenities are provided as well.

Family Support

We provide an on-site crèche to ensure safety and welfare of children while the parents are working. We also provide educational support to on-site children in the event of labor deployment exceeding a specific threshold.

Remuneration

Our Company pays an ad-hoc amount to the workers weekly, while transferring the remaining amount of the wages to their bank accounts on a monthly basis.

Safety

To enhance worker safety and confidence in challenging projects, we train our laborers in robust safety practices coupled with the mandatory on-site use of protective equipment (helmet, harness, boots, and jacket). In addition, we conduct events such as National Safety Week, World Environment Day, among others, which includes collaborative participation of workers in pledges, games, housekeeping, safety quiz, poster making, and other activities. Our strong focus on safety has enabled us to maintain safe operations across our sites with no major accidents reported during the year.

Recreation

Boosting employee morale is pivotal to us. Post the working schedule, we conduct joyful activities such as celebration of festivals and film screenings in worker camps to motivate them.

Bigger. Better. Stronger.

By the capabilities of our employees

The professionalism, talent and commitment of our employees has shaped our present success; their efforts will continue to play a pivotal role as we aspire for a more powerful tomorrow.

MINDFUL OF OUR RESPONSIBILITY TO CREATE OPPORTUNITIES WITHIN OUR BUSINESS FOR EMPLOYEES TO THRIVE, WE HAVE FORMULATED A WELL-DEFINED HR POLICY.



Mindful of our responsibility to create opportunities within our business for employees to thrive, we have formulated a well-defined HR policy. The policy provides a framework for honing employees' skills and capabilities as well as caring for them at a personal level.

During the year, we continued to undertake robust people management practices and initiatives to strengthen an already diverse and skilled workforce and create a strong talent pipeline for the future.



Competitive Compensation

We recognize the indispensable contribution of our employees in ensuring construction excellence founded on our values of responsibility, integrity, and collaboration. It provides us an edge in the industry. Adequate compensation is, therefore, important for the hard work of employees. We compensate our workforce in line with the competitive industry standards.

Inclusive Work Environment

We endeavor to foster a transparent and collaborative work environment, wherein every individual has a right to share their ideas and opinions and showcase their talent. Our conducive atmosphere also enables employees to grow both personally and professionally and deliver best outcomes.

Employee Recognition

We have always identified the relentless efforts of our employees in driving organizational success and incentivized them for their performance. We have made employee recognition a key priority to ensure maximum employee satisfaction and sustaining robust performance.

Learning and Development

At PSP Projects, we have built a culture of continuous learning and development to enhance employee skills and capabilities. Towards this, we conduct regular training programs and sessions. Moreover, we also encourage our teams to undertake voluntary projects beyond their assigned scope of work to keep up their high spirit.

Life at PSP

Workplace health and wellness is a central part of our Company culture and strategy, which is reflected in our several employee engagement activities.

Festive Celebration

While Diwali is popularly known as the "Festival of Lights", it is the most significant Indian festival in India. The employees at PSP light up the "PSP House" with Colors, Lights, Designs, Creativity, Happiness, Fun with Activities and Inter Department Competition organized between employees in beautiful Traditional Attires.

Felicitation cum Musical Event

Our Company felicitated the employees who had completed more than 10 years of career journey with the Company. It was followed by a folk music programme (Lok Dayro) for all its employees and their families.

Employees Cricket Tournament – 2019

Our Company organized inter-office cricket tournament under its 'employee recreations and development program'. The tournament was between 22 teams featuring employees from various levels of work at the Company from "Assistants to Management" grades.



The tournament was a platform beyond just entertainment as it helped bridge communication and interaction between employees across the various functions of the organization and in turn build team spirit and lend to growth of the organization.

Contractors Cricket League - 2020

Our Company participated in Contractors Cricket League - 2020 which was organized by Gujarat Contractors Association where total 17 contractor companies had participated, wherein PSP Projects emerged as the Champion, displaying their dedication and passion.

Arranging and participating in such sporting activities has proven to build team spirit and engagement.

Women Empowerment

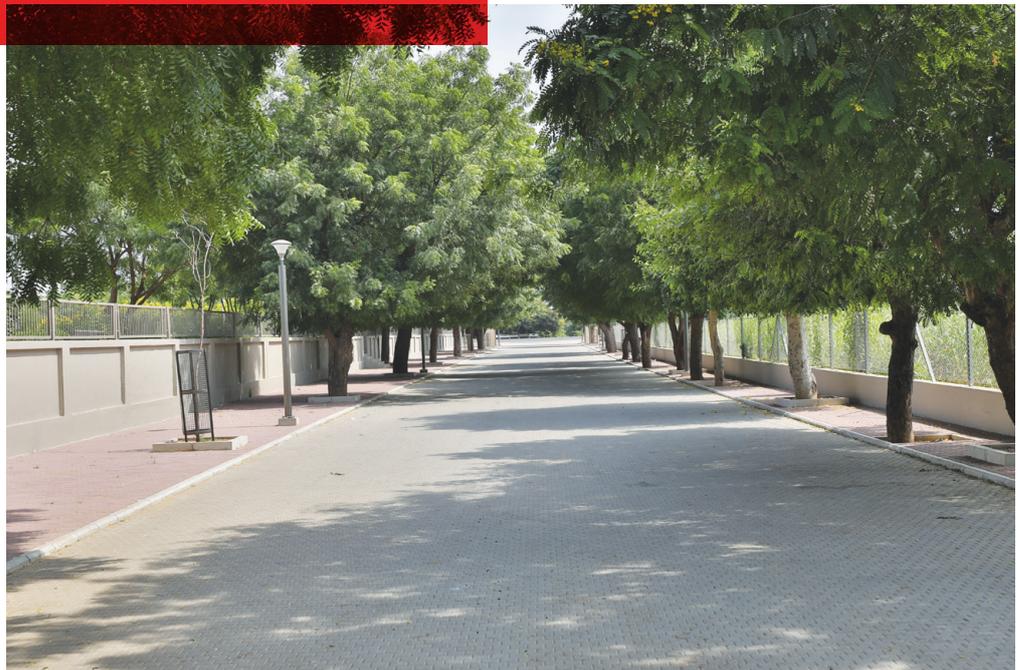
Our Construction project of the Foundation Building at CEPT University, Ahmedabad which is spearheaded by an all women team is an example of women empowerment in a male dominated industry. Every post, from Project Manager to Stores Manager viz. all Technical and Non-Technical Position are being held by our female employees.



Bettering Lives and Building Stronger Communities

As a responsible corporate entity, we undertake holistic programs for the sustainable welfare of the communities in which we operate. Through our meaningful interventions, we strive to empower and better the lives of the economically backward and marginalized sections of the society.

Promoting education, sports, and animal welfare, are the major focus areas of our Company.



Education

Education of the less privileged children is an important agenda for us. We have partnered with 'Centre for Environmental Planning and Technology' (CEPT) University, Ahmedabad to support the underprivileged students of its undergraduate program to encourage today's young aspiring students. We also undertook infrastructure improvement initiatives at a school. Moreover, we continuously support several NGOs that are dedicated to the cause of educating the underprivileged.

Sports

We continue to extend our support to the passion and talent of a young chess player, Ms. Dhyana Patel. Among, her many feats at national and international level includes a Gold medal in the U-18 Blitz (Girls) category in Western Asia Youth Chess Championship held at Tashkent, Uzbekistan. She is an awardee of the prestigious 'Centre of Excellence' award by the Sports Authority of Gujarat and the Gujarat Chess Association.

Animal Welfare

As part of animal welfare activities, we strive to provide a healthy and safe environment to animals suffering from pain and cruelty. We have partnered with Jivdaya Charitable Trust, a non-government animal welfare organization in Ahmedabad which provides medical care to stray and unowned domestic animals and runs a rehabilitation center for wild birds and small mammals. We provide financial support to the trust and have built dog kennels within the premises of the trust.

Village Beautification

As a part of our CSR initiative, last year we identified a village situated in the Chanasma Tuluka of Patan District of Gujarat and upgraded the infrastructure of the village by development of 1.5 lakh sq. ft. of area, which includes 9-metre-wide village entry road and grey pavers, along with pathways. Additionally, we designed and installed streetlight poles, underground cabling for the safety of villagers, planted more than 50 tree planters, developed central chowks to create seating arrangement for local people and redesigned the outdoor seating space of each house. Moreover, we have also set up a rainwater collection system in the village providing substantial benefits to the local people. We through discussions with village and local influencers identified all the key problems faced by them and endeavored to enhance the quality of their lives. Overall our project supported the quality, wellness, water, sanitation and hygiene needs of the local people.

Key Aspects of the Project

Developed area of **1.5** Lakh sq. ft.

Completed within a span of **6** months

More than **2,500** Individuals benefited by the project

More than **50** Tree planters installed benefiting the environment

Uniquely Designed Precast outdoor seating

Common Garden at the center of the village



Prevention of Health Care

We are supporting credible NGOs providing medical services to the less privileged at concessional rates. The Company has also extended financial assistance to the NGO through installation of medical equipment at a medical health center.

Environment Sustainability

As part of our endeavor and commitment towards environment sustainability, we extend our support to an NGO working on implementing greening solutions to increase urban forests and mass plantations through its tree plantation initiatives.

Board of Directors



Mr. Prahaladbhai Shivrambhai Patel
Chairman, Managing Director and CEO

Prahaladbhai Shivrambhai Patel, aged 57 years, is the Chairman and Managing Director and CEO of our Company. He holds a bachelor's degree in civil engineering from Saurashtra University. Prior to incorporation of our Company, he had been carrying on the business of civil construction by way of a proprietorship firm. He has over 22 years of experience in the business of construction and has played a significant role in the development of our business. He has also been featured in the book titled "Business Game Changers: Shoonya se Shikhar" authored by Prakash Biyani. He has also been awarded by the Gujarat Innovation Society with 'The Dena Bank Hercules Award' for Innovative and Quality in the India's Construction and Infrastructure Sector. He has also received the 'Most Respected Entrepreneur Award – Construction' by Hurun Report India.



Ms. Pooja Patel
Executive Director

Pooja Patel, aged 27 years, is the Executive Director of our Company. She holds a bachelor's degree in civil engineering from Gujarat Technological University and a post-graduate diploma in financial management from Ahmedabad Management Association. She has been actively involved in the execution of projects for past 5 years. Presently her functional areas in the company includes project planning, procurement and execution. She has also represented our Company in Indian Concrete Institute Chapter-1, Ahmedabad.



Mr. Sagar Patel
Executive Director

Sagar Patel, aged 24, is an Executive Director of our Company. He holds a bachelor's degree in civil engineering from Gujarat Technological University. He is actively involved in areas of project planning, tendering, contracts, and execution of projects in the company.



Mr. Chirag Shah
Independent Director

Chirag Shah, aged 53 years, is an Independent Director of our Company. He holds a bachelor's degree in pharmacy from Gujarat University. He has several years of experience in the manufacturing and trading of laboratory equipment. He is currently a director of Accumax Lab Devices Private Limited and Neuation Technologies Private Limited.



Mr. Sandeep Shah
Independent Director

Sandeep Shah, aged 59 years, is an Independent Director of our Company. He holds a bachelor's degree in commerce and as well as a bachelor's degree in law from Gujarat University. He is currently a director of Creative Infotech Private Limited.



Mr. Vasishtha Patel
Independent Director

Vasishtha Patel, aged 57 years, is an Independent Director of our Company. He holds a bachelor's degree in business administration from Sardar Patel University and a master's degree in business administration from South Gujarat University. He has over 20 years of experience in management and exports and has held various managerial positions in the areas of business opportunities and operations of the international division of several companies. He is currently a Managing Director of Multico Exports Private Limited which is involved in the export of pharmaceuticals and raw materials.



Ms. Zarana Patel
Independent Director

Zarana Patel, aged 32, is an Independent Director of our Company. She also holds a bachelor's degree in commerce and a master's degree in commerce from the Gujarat University. She is also a chartered accountant by profession and has more than 8 years of experience in audit. She is a partner with Shah & Bhandari, Chartered Accountants.

Key Management Team



Mr. Prahaladbhai Shivrambhai Patel
Chairman, Managing Director & CEO

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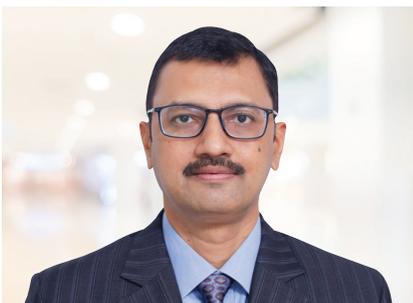
Mr. Mahesh Patel
Senior Vice President - Operations

Mahesh Patel is the Senior Vice President - Operations of our Company. Holder of a diploma in civil engineering, he has deep expertise in project execution in the construction industry. He has been associated with our Company since its inception and has played a critical role in its success.



Mr. Maulik Patel
Vice President - Procurement

Maulik Patel is the Vice President- Procurement of our Company and is a commerce graduate by qualification. He has been associated with our Company since the beginning and has played a major role in its growth story.



Mr. Viplav Shah
Vice President - Planning

Viplav Shah is the Vice President - Planning of our Company and has extensive experience of 23 years in the construction field. He holds a diploma in construction technology from School of Building Science & Technology (currently CEPT University) and has completed the management education program from IIM Ahmedabad.

Key Management Team



Mrs. Hetal Patel
Chief Financial Officer

Hetal Patel is the Chief Financial Officer of our Company. She is a member of the Institute of Chartered Accountants of India (ICAI) and holds a master's degree in commerce from Gujarat University as well. She is also a certified internal auditor from the Institute of Internal Auditors and has several years of experience in accounts and finance. She is working with our Company for the past 7 years.



Ms. Mittali Christachary
Company Secretary and Compliance Officer

Mittali Christachary is the Company Secretary & Compliance Officer of our Company. She holds a bachelor's degree in commerce as well as a bachelor's degree in law from Gujarat University. She is also an associate member of the Institute of Company Secretaries of India (ICSI) and has 5 years of experience in all company secretarial functions and compliances.



Mr. Ramjibhai Parmar
General Manager - Tender

Ramjibhai Parmar is General Manager - Tender of our Company. He holds a diploma in civil engineering and has extensive experience in contracts and tendering of the construction Industry. He has been associated with our Company for over 8 years.



Mr. Pratik Thakkar
General Manager - Business Development

Pratik Thakkar is the General Manager - Business Development of our Company. He holds a bachelor's degree in commerce and a diploma in marketing management. He has been associated with our Company for the past 6 years and brings his domain expertise in business development to the table.



Mr. Dhananjay Mori

Senior Manager- Human Resources

Dhananjay Mori is the Senior Manager - Human Resources at our Company. He holds a bachelor's degree in commerce from Saurashtra University and a master's degree in human resource management from Gujarat Vidyapith. He has over 11 years of experience in human resource function.



Mr. Sanjay Kumar Rai

Senior SAP/IT Manager

Sanjay Kumar Rai is the Senior SAP/IT Manager at our Company. He holds a bachelor's degree in science from Ch. Charan Singh University (Meerut) and completed honours diploma in computer from NIIT. He has deep expertise in IT and has provided SAP support to multiple industries including Packing, Chemicals, Textile, Steel and Automobile industry. He has been associated with our Company since October 2018.



Mr. Pushpesh Singh

Deputy General Manager – Contracts

Pushpesh Singh is the Deputy General Manager – Contracts of our Company. He holds a bachelor's degree in civil engineering from Gujarat University. He has 11 years of experience in the construction industry and 8 years of experience with Larsen & Toubro.

Corporate Information

Board of Directors

Mr. Prahaladbhai S. Patel

Chairman, Managing Director & CEO
DIN: 00037633

Ms. Pooja P. Patel

Executive Director
DIN: 07168083

Mr. Sagar P. Patel

Executive Director
DIN: 07168126

Mr. Sandeep H. Shah

Independent Director
DIN: 00807162

Mr. Chirag N. Shah

Independent Director
DIN: 02583300

Mr. Vasishtha P. Patel

Independent Director
DIN: 00808127

Mrs. Zarana P. Patel

Independent Director
DIN: 08580937

Company Secretary & Compliance Officer

Ms. Mittali M. Christachary

Chief Financial Officer

Mrs. Hetal Y. Patel

Board Committees

Audit Committee

Mr. Vasishtha P. Patel

Chairman

Mr. Sandeep H. Shah

Mrs. Zarana P. Patel

Mr. Prahaladbhai S. Patel

Nomination and Remuneration Committee

Mr. Chirag N. Shah

Chairman

Mr. Vasishtha P. Patel

Mr. Sandeep H. Shah

Stakeholders Relationship Committee

Mr. Chirag N. Shah

Chairman

Mr. Sagar P. Patel

Ms. Pooja P. Patel

Corporate Social Responsibility Committee

Mr. Sandeep H. Shah

Chairman

Mr. Prahaladbhai P. Patel

Ms. Pooja P. Patel

Risk Management Committee

Mr. Prahaladbhai S. Patel

Chairman

Mr. Sagar P. Patel

Mrs. Zarana P. Patel

Mr. Chirag N. Shah

Joint Statutory Auditors

M/s. Kantilal Patel & Co.

Chartered Accountants, Ahmedabad
FRN: 104744W

M/s. Riddhi P. Sheth & Co.

Chartered Accountants, Ahmedabad
FRN: 140190W

Secretarial Auditor

Rohit Shantilal Dudhela

Practicing Company Secretaries,
Ahmedabad
COP: 7396

Internal Auditor

Manubhai & Shah LLP

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

Cost Auditor

M/s. K.V. Melwani & Associates

Cost Accountants, Ahmedabad
FRN: 100497

Bankers

State Bank of India

The Kalupur Commercial Co-operative
Bank Limited

Kotak Mahindra Bank Limited

ICICI Bank Limited

Axis Bank Limited

YES Bank Limited

Registered Office

PSP Projects Limited

'PSP House', Opp. Celesta Courtyard,
Opp. Lane of Vikramnagar Colony,
Iscon-Ambli Road, Ahmedabad – 380058

Tel: 079-26936200/+91-9512044646

Email : grievance@pspprojects.com

Website: www.pspprojects.com

CIN: L45201GJ2008PLC054868

Registrar and Transfer Agent

KFin Technologies Private Limited

Selenium Tower B., Plot Nos. 31-32,
Financial District, Nanakramguda,
Serilingampally Mandal,
Hyderabad – 500032

Tel: 040-67162222, 040-7961-1000

Email: einward.ris@karvy.com

Website: www.kfintech.com

Management Discussion and Analysis

GLOBAL ECONOMIC REVIEW

The global economy in 2019 experienced what the International Monetary Fund (IMF) described, at the end of the second quarter of 2019-20, as a “synchronized slowdown” in about 90 per cent of the world. At the end of the fourth quarter of the FY, in its World Economic Outlook released in January 2020, IMF projected global growth to rise from an estimated 2.9% in 2019 to 3.3% in 2020 and 3.4% in 2021. However, this estimate was derailed by the unprecedented Covid-19 pandemic that necessitated initially social distancing and finally a lockdown in the months of February and March 2020, with these measures spilling over to April and May 2020. Following the outbreak, as per IMF, the global economy was projected to contract sharply to a negative 3% in 2020, worse than it was during the 2008-09 financial crisis. Fear of the pandemic has kept people indoors and halted all but the most essential economic activities.

GDP Growth Projections



The COVID-19 pandemic will severely impact growth across all regions
Projections

(Real GDP, annual percentage change)	2019	2020	2021
World	2.9	-3.0	5.8
Advanced Economies	1.7	-6.1	4.5
United States	2.3	-5.9	4.7
Euro Area	1.2	-7.5	4.7
Japan	0.7	-5.2	3.0
Emerging Market and Developing Economies (EMDEs)	3.7	-1.0	6.6
China	6.1	1.2	9.2
India	4.2	1.9	7.4
Russia	1.3	-5.5	3.5
Brazil	1.1	-5.3	2.9
Saudi Arabia	0.3	-2.3	2.9
Pakistan	3.3	-1.5	2.0
Bangladesh	7.9	-2.0	9.5
South Africa	0.2	-5.8	4.0

India's growth on fiscal basis (2020 denotes 2020-21)
Source: IMF, World Economic Outlook, April 2020

Many countries faced a multi-layered crisis: health shock, domestic economic disruptions, plummeting external demand, capital flow reversals, and collapse in commodity prices. Governments announced stimulus packages and direct financial aid to revive industrial sectors after the pandemic and to keep up some forms of consumption during the lockdown.

With an optimistic assumption that the contagion would recede and policy support would help industries in 2020, IMF has projected a global economic growth by 5.8% in 2021. This post-pandemic global growth will be led by China, India, and the ASEAN-5 bloc, whose economies are expected to register 9.2%, 7.4%, and 7.8% growth, respectively.

INDIAN ECONOMIC OVERVIEW

The financial services company Barclays estimates that the economic loss for India in 2020 will be around USD234.4 Bn in view of the pandemic. IMF has now estimated that growth in India would be 1.9% in 2020, earlier estimated to be 5.8% in January 2020. In 2021, India's growth rate is expected to surge again.

Production shutdowns, domestic demand drop, erosion of purchasing power due to job losses or pay cuts will have a significant impact on sectors where spending is discretionary, such as travel, tourism, and hospitality. With the reverse migration of laborers caused by the lockdown, there will be a delay in restarting full-fledged activities in exports and labour-intensive sectors like construction, transport, and manufacturing of non-essential items.

Outlook

IMF has stated that India would remain among the fastest growing major economies despite the setback of the contagion. India is one of the only two major economies, the other being China, to have a projected positive growth rate in 2020.

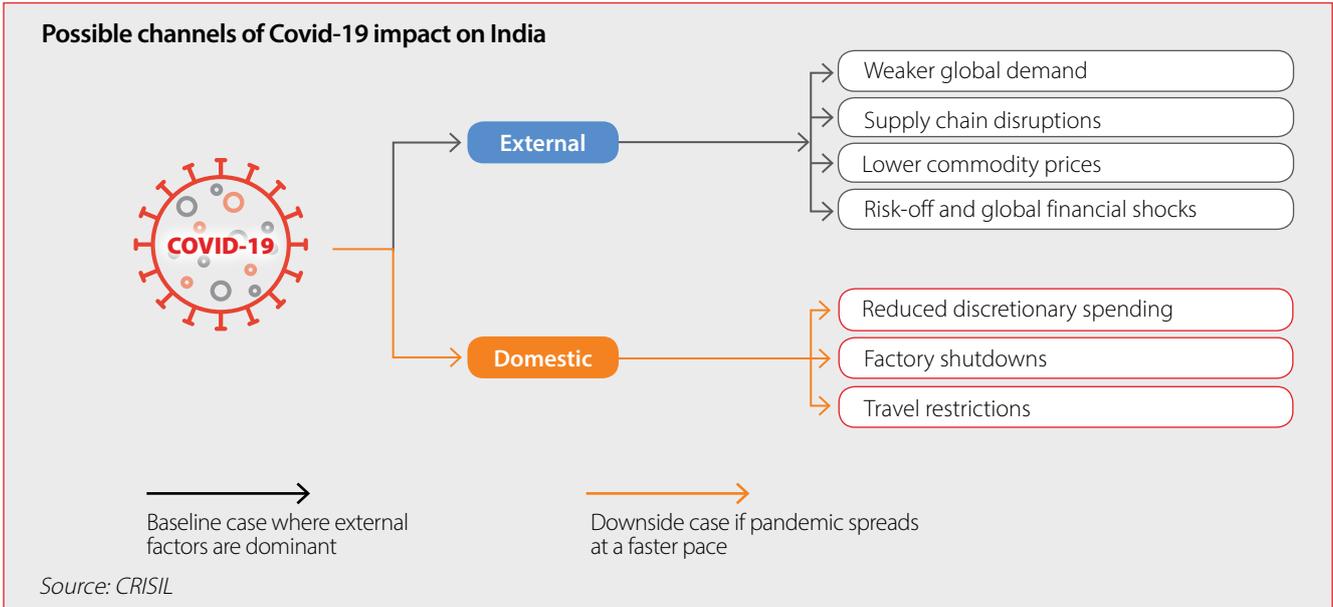
(Can add our CMD's view on its impact on industry)

INDIAN CONSTRUCTION INDUSTRY OVERVIEW

The Covid-19 pandemic impact has led to the stalling of activity in the construction sector and this disruption will have a negative impact on the operating income, profitability, and liquidity position of construction companies in the short term to medium term. The Jan-March period is most crucial for construction companies as most of their orders fructify. June onwards, the monsoon hinders building activities. In 2020, this most productive season for construction has been severely affected by the contagion and the lockdown.

Unlike sectors such as financial services, online retail, automated manufacturing, and information technology, where much of the work can be done through virtual channels or robots, the construction sector requires the physical presence of a large human workforce in concentrated areas. Therefore, construction companies will be under stress during the first two quarters of 2020-21.

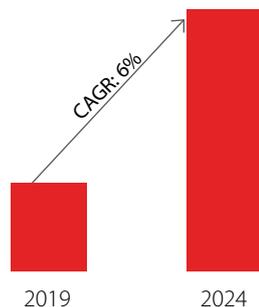
Construction companies have suggested that Covid-19 needs to be declared 'force majeure' under Section 6 of the Real Estate (Regulations and Development) Act (RERA) that provides extension of project registration granted to promoters.



In the long term, the constructor sector will witness significant opportunities as it is one of the important drivers of the Indian economy. The construction industry, next in line after agriculture, contributes about 9% to the national GDP and is the 2nd largest employment provider. It ranks 3rd among the 14 major sectors in terms of direct, indirect, and induced effects in all sectors of the economy.

As the government plans invest about ₹ 100 Lakh Crores in the infrastructure sector over the next five years; construction industry in India is expected to become the 3rd largest construction market globally by 2022, driven by current and planned spends on highways, railways, ports, airports, and urban infrastructure.

India Construction Market 2019-2024

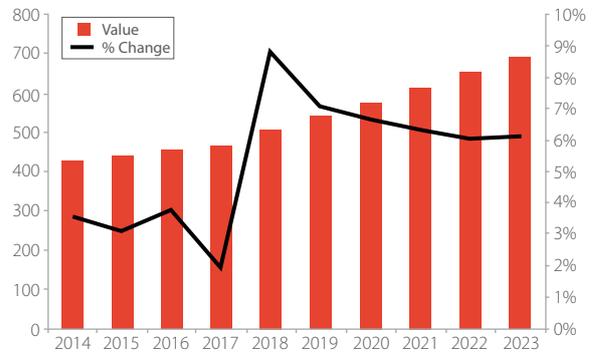


Source: Mordor Intelligence

The government’s continued investments under flagship programs such as the Bharatmala scheme, 100 Smart Cities Mission, Housing for All 2022, the Atal Mission for Urban Rejuvenation and Transformation (AMRUT), the UDAN (Ude Desh ka Aam Nagrik) scheme, Pradhan Mantri Gram Sadak Yojana (PMGSY), Make in India, and Power for All (PFA) are expected to drive the growth of construction. Population growth and urbanization will also drive the need for better infrastructure facilities in the country. This has attracted huge investments through FDI, private players, and

government budgets. Change in the policy environment, faster pace of project awards and clearances, single window for faster approvals, implementation of the RERA policy, and reduction in tax rates for under-construction properties have helped the construction industry witness growth in activity and capital inflows.

India: Construction Output (US\$bn). 2017 prices and exchange rates



Source: Global Data. Construction Intelligence Center

According to data released by the Department for Promotion of Industry and Internal Trade Policy (DPIIT), construction is the 4th largest sector in terms of FDI inflows, with USD41.53 Bn coming into the sector from April 2000 to December 2019. FDI of 100% in construction development projects, developing industrial parks and urban infrastructure is allowed through the automatic route.

The Indian construction industry is predicted to grow at an average rate of 6.4% between 2018 and 2023, according to Global Data, and have a value of approximately USD690 Bn.

Construction Output and Value Addition

In Gross Value Added (GVA) terms, the economy grew at 4.5% in Q3, compared to a revised 4.8% in Q2. GVA growth in Q2 was 4.3%, compared to 4.9% in Q1.

- Bloomberg

Data from the Ministry of Statistics and Programme Implementation suggest that the GVA at Basic Prices for 2019-20 from the construction sector is expected to grow by 3.2% compared to 8.7% in 2018-19. Cement production and consumption of finished steel, the key indicators of the construction sector, grew at much lower rates in 2019-20 compared to 2018-19. The figures for cement and finished steel, respectively, were -0.02% and 3.5% in April-November 2019-20 compared to 13.9% and 8.4% in April-December 2018-19 as stated in the First Advance Estimates of National Income, 2019-20.

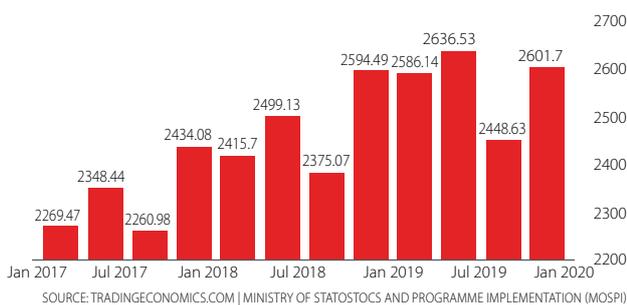
INDUSTRY STRUCTURE AND DEVELOPMENTS

Industrial construction segment overview

Construction within the institutional and infrastructure space in India has many government initiatives in its favour. Programs such as Bharatmala Pariyojana, a nationwide road and highway network project that aims to create 9,000km of economic corridors; Sagarmala, for leveraging the country's coastline and inland waterways to drive industrial development; UDAN (short for Ude Desh ke Aam Nagrik), a regional air connectivity program that would boost aviation infrastructure development; and investment in Make in India to turn the Indian construction industry into a globally competitive one and attract foreign capital will all result in more institutional construction activity.

Under the Pradhan Mantri Gram Sadak Yojana, the government aims to build roads in the rural and backward areas of the country, leading to all-weather access to remote areas and inclusive economic development. In the Union Budget 2020-21, ₹ 1.7 Trn has been provided for transport infrastructure.

Budget 2020-21 has focused on infrastructure for national development, and approximately 6,500 social and economic projects across sectors under the National Infrastructure Pipeline are expected to get an investment of more than ₹ 100 Trn over the next 5 years.



Institutional construction segment overview

The institutional construction market will be supported by public and private sector investment in educational and healthcare projects. In the 2019 budget, the government increased its expenditure on the education sector by 10.4%, from ₹ 850.1 Bn (USD12.3 billion) in 2018-2019 to ₹ 938.5 Bn (USD13.7 Bn) in FY2019-2020. Moreover, the government increased the expenditure on healthcare by 16.3%, from ₹ 528 Bn (USD7.6 Bn) in FY2018-2019 to ₹ 614.0 Bn (USD9.0 Bn) in FY2019-2020. This would mean the construction of buildings and access infrastructure for education and healthcare.

To support investment in education, the government has allowed 100% FDI through the automatic route. According to the Department of Industrial Policy and Promotion (DIPP), the total amount of FDI into the education sector in India from April 2000 to December 2019 stood at USD 3 Bn. In the Union Budget 2020-21, the government allocated ₹ 59,845 Crore (equivalent to USD 8.56 Bn) for the Department of School Education and Literacy. Revitalizing Infrastructure and Systems in Education (RISE) by 2022 was announced and in Union Budget 2020-21, an outlay of ₹ 3,000 Crore (equivalent to USD 0.43 Bn) was proposed.

As per the India Brand Equity Foundation (IBEF), the institutional construction demand from the healthcare sector is also on the rise driven by rising incomes, greater health awareness, lifestyle disease and increasing access to insurance. DIPP data reveal that FDI worth USD 6.34 Bn flowed into hospitals and diagnostic centers between April 2000 and June 2019. The hospital industry in India is forecasted to expand at a CAGR of 16-17% to USD 132.84 Bn by FY2022 from USD 61.79 Bn in FY2017.

Residential construction segment overview

Global Data expects the residential construction market to retain its leading position and account for 30.1% of the industry's total value in 2023. Market expansion is expected to be supported by public and private sector investments in the construction of new residential buildings, in order to meet the demand for housing. In January 2019, the government allocated ₹ 1.0 Trn (USD14.7 Bn) to construct affordable houses in the country by 2022. In 2019, Residential real estate grew to ₹ 12,000 crore (USD1.72 Bn).

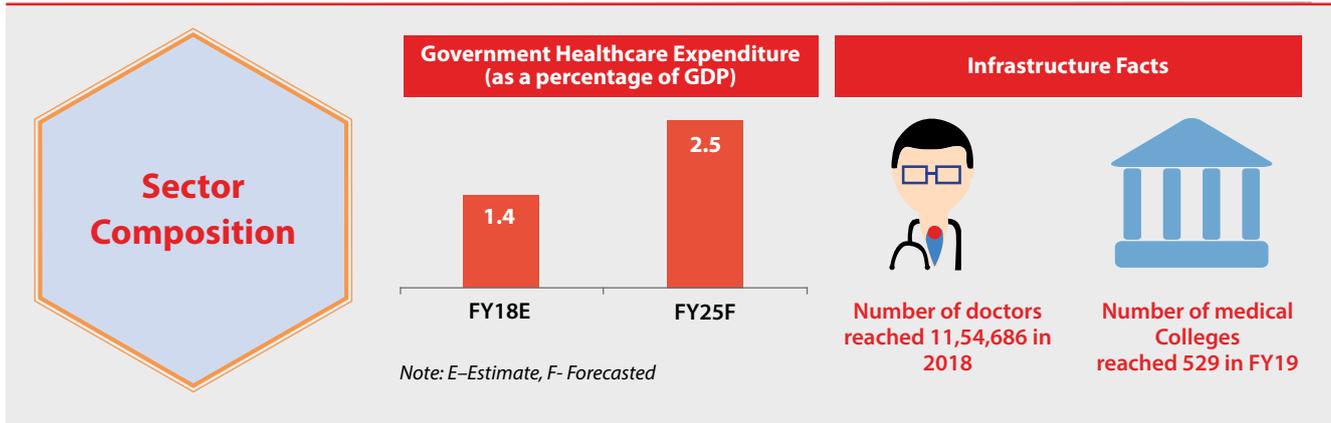
A rising trend of nuclear family concept is expected to provide impetus to residential units. With the rise of infotech hubs and upmarket housing projects being developed near such hubs, people now prefer "walk to work" and look for home space in such projects. As per Ashiana Indian Real Estate Market in 2020-2021, there is an increasing demand from home-seekers, be it for buying or renting, as they are open to moving cities if there are employment opportunities.

Between now and 2025, India will be part of nations that will account for 72% of the expected construction activity across the world. This means better infrastructure and improved connectivity and thus a higher standard of living. Global Construction research also shows that by 2025 India will have 1.1 crore annual average house completions.

Three major reforms – the introduction of GST, the launch of RERA, and the grant of infrastructure status to affordable housing projects – have had a massive and positive impact on the industry.

The Real Estate Regulation Act (RERA), introduced in 2016, has brought uniformity in the residential real estate market, increased transparency in real estate deals, improved accountability of builders, and protected the interests of buyers from the malpractices of unfair builders, which in turn has led to increased demand.

GST, introduced in 2017 with the idea of "One Nation, One Tax", has made it easy to do business in the country, seeing a marked increase in infrastructure developments and other real estate projects.



Other factors that drove real estate sales during the year include availability of a wide range of flexible property loans from NBFCs and digital lenders; income tax rebates on home loans; Credit Linked Subsidy Scheme; no floor rise cost; discounts and freebies offered by builders.

With the introduction of reforms, the real estate industry saw the exit of less serious players, leaving the market to the professional builders.

Due to the availability of huge and affordable land parcels in Tier II cities, developers can construct high-quality residential homes and townships at competitive prices, compared to Tier I and metro cities.

The Mumbai-based real estate research and advisory firm, Liasas Foras, observed in its Residential Market Report for the quarter ending December 2019 that in 2019-20:

- Sales across 35 cities grew by 3% although 11 out of these 35 cities witnessed a dip as compared to December quarter last year.
- Among the top 15 cities, downward movement was noticed in Surat (25%), Chennai (20%), NCR (10%), Chandigarh (7%), Pune (1%) and the Mumbai Metropolitan Region (1%). In H1, MMR (Mumbai Metropolitan Region) posted the highest sales of 17,809 units (18.69% of total sales in Tier I cities), followed by NCR (National Capital Region) with 11,902 units contributing 12.49% of total sales.

Commercial construction segment overview

India's commercial realty market has been on an upswing with well-managed, high-quality properties with an average tenancy of three years and nearly 90% stable occupancy and good cash flow visibility.

According to the CRISIL Report, India's top 10 commercial real estate owners alone, including both developers and funds, have a portfolio of around 184 million square feet, translating into an annual lease rental income of over ₹ 17,000 Crore.

Sectors such as information technology and IT-enabled services, retail, consulting and e-commerce have registered a high demand for office space in recent times. Commercial office stock in India is

expected to cross 600 million square feet during 2018-2020, while office space leasing in the top eight cities is expected to cross 100 million square feet during 2018-20. Co-working space across the top seven cities increased to reach 12 million square feet by the end of 2019. In first nine month of 2019, the office sector demand with commercial leasing activity reached 47 million square feet. During 2019, the office leasing reached 60.6 million square feet across eight major cities registering a growth of 27% year on year.

This was driven by various factors, including technology, demand-supply dynamics, improved ease of doing business rankings, and the dust settling after the impact of relevant policy reforms.

In 2019, Bengaluru saw the highest volume of office space leased at 15.3 million square feet, followed by Hyderabad at 12.8 million square feet. Nevertheless, unsold inventory in the NCR, MMR, and Bengaluru continued to remain high, indicating scope for growth in sales.

With the underlying commercial office space growing at 18% annually over the past 19 years along with rent escalation (generally 5% every year), India still has one of the lowest rental rates, office space and capital values across major global cities. The demand for grade A commercial real estate remains a trend that is likely to see 5-10% escalations per annum. Of the total capital flows into the real estate sector over the past five years, 70% has goes into rent-yielding assets.

All these factors point to more activity in the commercial construction space.

Outlook

India is expected to become the 3rd largest construction market globally, and there is immense scope of growth. Even though the Covid-19 pandemic has slowed down the growth momentum for now, the infrastructure and construction sector is an integral part of economic development and will grow as the country grows.

INDUSTRIAL DEVELOPMENT IN GUJARAT

Gujarat has achieved the distinction of being one of the most industrially developed states. At current prices, its Gross State Domestic Product (GSDP) was about ₹ 18.85 Trn (USD269.70 Bn) during 2020-21. Gujarat accounts for 5% of the total Indian

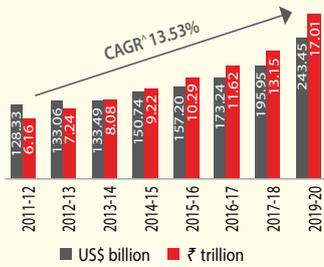


GUJARAT

THE GROWTH ENGINE OF INDIA

ECONOMIC SNAPSHOT

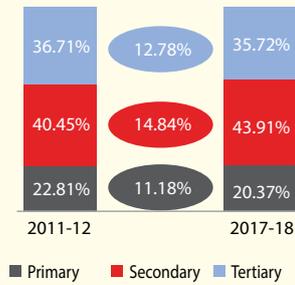
GSDP of Gujarat at current prices



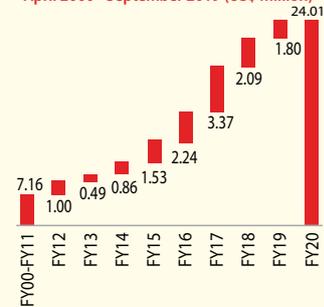
Note: ^-CAGR in ₹

Source: Directorate of Economics and Statistics Gujarat, Government of Gujarat, Department of Industrial Policy & Promotion, News Articles

Distribution of GSDP CAGR[^]



FDI Inflows in Gujarat April 2000 - September 2019 (US\$ million)



ADVANTAGES



High economic growth and industrial development

- One of the most industrially developed states. Contributes about a quarter of India's goods exports.
- Gross State Domestic Product (GSDP) of Gujarat grew at a rate of 13.53 per cent during 2011-12 to 2019-20



Adequate power generation capacity

- The state government has framed policies in almost all key sectors such as industry power, ports, roads, agriculture & minerals.
- Garment & Apparel policy was announced in October 2017 with the aim of creating 100,000 jobs in the state.



Rich labour pool

- Good educational infrastructure with premier institutes in management, fashion, design, infrastructure planning & pharmaceuticals.
- Industrial training institutes in each district to train manpower for the shop floor level.



Facilitating infrastructure

- The state has developed 42 ports, 18 domestic airports & 1 international airport.
- A 2,200 km gas grid supplies gas to the industrial areas.



KEY GOVERNMENT POLICIES AND OBJECTIVES

Garment and Apparel Policy 2017

Creation of 100,000 jobs in the state

Gujarat New Industrial Policy 2015

Develop Gujarat as a global manufacturing global hub

Solar Power Policy 2015

Promote power generation of green and clean power in the state using solar energy and reduce the cost of generating renewable energy.global hub



IT Policy, 2014-19

Accumulate US\$ 15 billion from IT sector in Gujarat by 2020

E-Government Policy, 2014-19

Accumulate US\$ 15 billion from IT sector in Gujarat by 2020

GOVERNMENT VISION-2020 FOR THE STATE

GSDP Growth	Transport	Tourism	Renewable Energy	Education	Industry	Healthcare	Investment promotion
Real GSDP to grow three times by 2020.	Bullet train and Metro Rail Transport Project to reduce travel time. Develop high speed integrated transport network meeting global standards.	Develop tourism infrastructure and make Gujarat a global tourist destination.	Encourage solar and wind energy generation.	Make Gujarat a globally recognised knowledge society.	Develop world class and globally competitive industrial infrastructure.	Improve quality of the life of people by developing clean, green and safe cities.	Attract investments in SIRs, industrial areas, SEZ infrastructure.

population and contributes about 25% of India's goods exports. Total exports from the state stood at USD 33.18 Bn for April-September 2019. The state ranks first in terms of total area covered under special economic zones (SEZs), with 20 operational SEZs at present. Gujarat also accounts for 5% share in the overall FDI Inflows in India, and received USD24.87 Bn from April 2000 to December 2019.

The state has announced an incentive program from 2016-2021 under the New Industrial Policy of 2015, aiming to attract increased investments in the manufacturing sector to create jobs.

Under the State Budget 2019-20, the Gujarat government has allocated ₹ 1,559 Crore (USD 223.06 million) to Mukhya Mantri Gram Sadak Yojna and USD2.57 Bn was allocated to the Energy, Industry & Minerals sector.

Key Gujarat projects

The Gujarat Infrastructure Development Board (GIDB) developed 'Blueprint for Infrastructure, Gujarat 2020 (BIG 2020)'. The Board's focus has been on integrating and augmenting various components of infrastructure to improve the quality of life in the state.

Key industrial infrastructure

With 42 ports, 18 domestic airports and one international airport, Gujarat offers great connectivity with a road network spanning across 74,000km and rail lines of 5,310km. Gujarat boasts state-of-the-art infrastructure with 60 notified SEZs, 11 Special Investment Regions (SIRs) and 188 Industrial Estates. With the highest per capita power consumption, Gujarat is one of the main growth engines for the country. The Delhi-Mumbai Industrial Corridor (DMIC) has been a major contributor to Gujarat's industrial growth as well.

Upcoming projects planned by the GIDB include:

- Development of Smart Cities
- Metro Rail for the city of Ahmedabad
- International airport at Dholera
- Modernization of bus terminals on PPP basis
- New railway lines on PPP basis
- 10 new sea ports to be developed by private developers
- Desalination plant for industries in Kutch and other locations
- Water supply and sewerage systems in towns

- BIG 2020 agenda is created by the Government of Gujarat to plan further economic development; not just to seize future development opportunities available in India, but also globally.
- Important sectors identified by the Government under the BIG 2020 agenda are
 - Energy
 - Transportation
 - SEZs/investment regions
 - Urban infrastructure
 - Water
 - Tourism
 - IT & education
 - Health and human resource development

- Roads new/ upgradation on BOT basis
- Mini-hydro power projects on irrigation projects
- Multi-modal logistic parks, investment regions, DMIC/ DFC
- Urban transportation: BRTS, Metro, LRTS
- Slum development in Ahmedabad
- Twin city and transport hubs

Key sectors

Gujarat is a leader in various sectors, including:

- **Agriculture and dairy:** In Gujarat, the total cultivated area amounts to more than half of the total land area. The state is the largest processor of milk in India, with the Amul milk co-operative federation being Asia's biggest dairy operation. As of March 2019, 79 Agricultural Produce Market Committees (APMCs) were linked with the National Agriculture Market (eNAM). The state has allocated 4.6% of its expenditure towards agriculture and allied activities in 2020-21.
- **Oil & Gas:** Gujarat is looking at becoming the 'Petrocapital' of India and accounts for 54% of India's onshore crude and 39% of onshore natural gas production.
- **Pharmaceuticals & Chemicals:** The state accounts for 40% of India's total pharmaceutical production and 17% of its exports. There exists more than 3,000 drug manufacturing units that have operations in the world's major pharma markets. Gujarat also houses India's only chemical port terminal, which has a capacity of 3 million metric tonnes.
- **ITeS:** Gujarat now has more than 50 companies in IT-enables services (ITeS) that operate more than 11,000 seats. It has one of the largest optical fiber networks in the country.
- **Other industries** that are thriving in Gujarat include textiles, automobiles, food processing, gems and jewellery, general and electrical engineering, vegetable oils, chemicals, soda ash, and cement. The state government has announced plans for the setting up of brownfield and greenfield projects to facilitate environment-friendly processing standards in the textile units of the state.

Major Gujarat investors: Adani • Amul • Clarins, Paris • Cadbury • Cadila • Con Agra • Ford Motor Company • Honda Motor Company • Gionee • IBM • Kelloggs • L&T • Linde • Reliance Industries • McCain • Oracle • Pepsi • Siemens • Suzuki • Sintex • Zydus (Source: Invest India).

MAJOR PROJECTS ENVISAGED BY GOVERNMENT UNDER BIG 2020

- Power Generation capacity of 31000 MV
- Strong application of renewable energy/solar power
- Robust Natural Gas infrastructure in the State, cross the Gas processing chain
- Coal Gasification projects
- Leveraging the Dedicate Freight Corridor ("DFC")/Delhi Mumbai Industrial Corridor ("DMIC") opportunity
- Gujarat international Finance Tech City (GIFT)
- Bullet Train to connect Ahmedabad – Mumbai
- Metro Rail Transportation project
- Kalpsar Project

ADVANTAGES



Productive and Skilled Manpower

- Home to world class educational and IT institutions with a literacy rate of 82.91 per cent.
- Large base of skilled and industrial labour force.



Agricultural and Industrial Hub

- One of the largest producers of sugarcane and pomegranate in India
- Pioneer in small scale industries and boasts of the largest number of special export promotion zones.



Geographical advantages

- JNPT is the largest port in India in terms of container traffic. During 2018-19 (provisional), major ports collectively handled 131.29 million MT.
- Well-connected to its 6 neighbouring states and other parts of India through 18 national highways.



Developed Services and Infrastructure system

- Mumbai is the commercial capital of India and has evolved into a global financial hub.
- Well-developed social, physical and industrial infrastructure. Has 16 airports, 2 major and 48 minor ports.



INDUSTRIAL DEVELOPMENT IN MAHARASHTRA

At current prices, the Gross State Domestic Product (GSDP) of Maharashtra for 2019-20 stood at ₹ 31.31 lakh crore (USD 448.07 Bn) or 11.83% growth from 2011-12 (Source: IBEF).

According to the Department for Promotion of Industry and Internal Trade (DPIIT), cumulative FDI inflows in Maharashtra from April 2000 to June 2019 stood at USD128.85 Bn and total exports from the state stood at USD33.80 Bn during April-September 2019.

Maharashtra is one of the most industrialized states in the country, home to a large base of skilled and industrial labor. With flourishing small-scale industries and the largest number of Special Export Promotion Zones, it has the right kind of business climate.

The government of Maharashtra is promoting the development of SEZs for sectors such as IT/ITeS, pharmaceuticals, biotechnology, textile, automotive and auto components, gems and jewellery, and food processing. Also, the focus is on providing IT-related infrastructure and textile parks.

INDUSTRIAL DEVELOPMENT IN RAJASTHAN

The Gross State Domestic Product (GSDP) of Rajasthan expanded at a compounded annual growth rate of 11.23% over 2011-12 to 2020-21. The state has attracted FDI equity inflows worth USD1.98 Bn between April 2000 and June 2019, according to data released by Department of Industrial Policy and Promotion (DIPP). (Source: IBEF)

Rajasthan stands 6th among Indian states in the ease of doing business and reforms implementation, according to a study by the World Bank. An excellent eco-system for inclusive, balanced and sustainable industrial development, Rajasthan is a natural corridor between the wealthy northern and the prosperous western states, making it an important trade and commerce center.

INDUSTRIAL DEVELOPMENT IN KARNATAKA

At current prices, the Gross State Domestic Product (GSDP) of Karnataka stood at about ₹ 15.88 Trn (USD226.06 Bn) in 2019-20 growing at a CAGR of 12.80% from 2011-12.

The state has attracted FDI equity inflows worth USD40.68 Bn from April 2000 to June 2019, according to data released by Department for Promotion of Industry and Internal Trade (DPIIT).

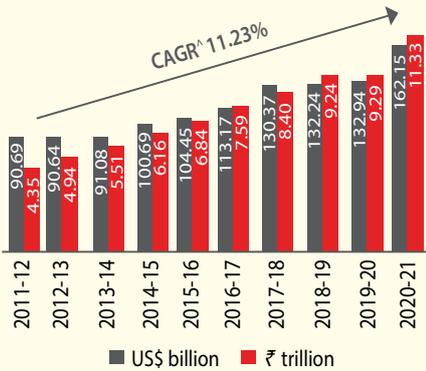
Karnataka has vibrant automobile, agro, aerospace, textile and garment, biotech and heavy engineering industries. The state has sector-specific SEZs for key industries such as IT, biotechnology, and engineering, food processing, and aerospace. As of November 2019, the state had 32 operational, 51 notified SEZs and 62 formally approved SEZs. It is also the IT hub of India, with 23 operational IT SEZs, 5 software technology parks and IT Investment regions. Kempegowda International Airport near the capital city Bengaluru became the first in the country to operate independent parallel runways, handling 35 million passengers in a year.

INDUSTRIAL DEVELOPMENT IN UTTAR PRADESH

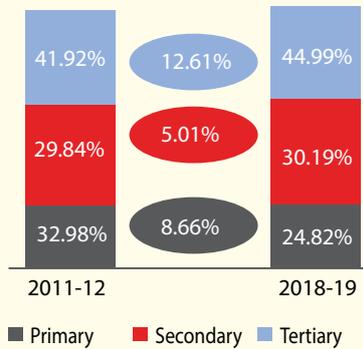
The Gross State Domestic Product (GSDP) of Uttar Pradesh grew at a CAGR of around 10.59% between 2011-12 and 2020-21. The state has attracted FDI equity inflows worth USD 699 million during the period April 2000 to September 2019, as per data released by Department for Promotion of Industry and Internal Trade (DPIIT).

As of November 2019, Uttar Pradesh had 20 notified, 13 operational SEZs, and 23 formally approved SEZs. The state has a well-developed social, physical, and industrial infrastructure. It also has good connectivity through 48 national highways, six airports and rail links to all major cities. The state has witnessed a high rate of infrastructure growth in the recent past.

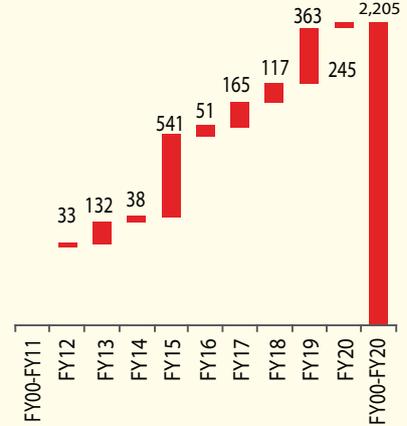
GSDP of Rajasthan at current prices



GSVA composition by sector CAGR^



FDI Inflows in Rajasthan in April 2000 - December 2019 (US\$ million)



Note: B.E. Budget Estimate, ^ CAGR in ₹ ** till December 2019

Source: Central Statistics Office, Directorate of Economics and statistics of Rajasthan, Department of Industrial Policy & Promotion, MOSPI.

ADVANTAGES



High economic growth and stable political environment

- GSDP grew at a CAGR (in ₹) of 11.23% between 2011-12 and 2020-21
- Stable political environment. Government committed towards creating a progressive business environment.



Rich labour pool and infrastructure support

- Rajasthan has renowned higher education institutions in various disciplines, producing thousands of skilled and proficient young individuals every year.
- State developing sector specific infrastructure such as special purpose industrial parks and special economic zones for exports of handicrafts, IT and electronic goods.



Abundant mineral resources and location advantage

- Rajasthan offers a variety of unexploited agricultural and mineral resources.
- Rajasthan is a natural corridor between the wealthy northern and the prosperous western states.



Policy and institutional support

- Provides several incentives and concessions for investment.
- Rajasthan has a favourable industrial relations environment. The law & order situation in the state ensures a good working environment.

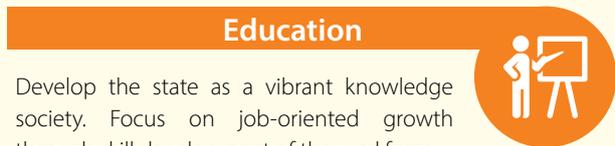


GOVERNMENT VISION-2020 FOR THE STATE



Infrastructure

Build the infrastructure to boost productive potential of the economy.



Education

Develop the state as a vibrant knowledge society. Focus on job-oriented growth through skill development of the workforce.



Energy

Karnataka Solar Policy 2014-2021 plans to add solar generation of minimum 2,000 MW by 2021

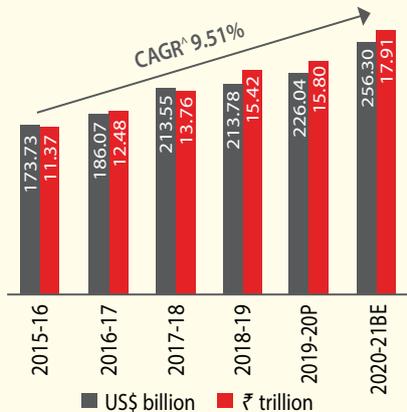


Industry

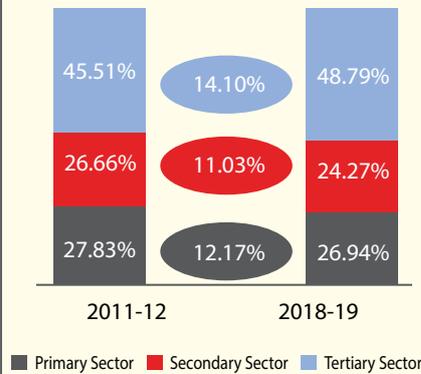
Build and sustain Bangalore's leadership in science, technology and knowledge-based industries.

Achieve a sustainable and orderly process of industrialisation and urbanisation.

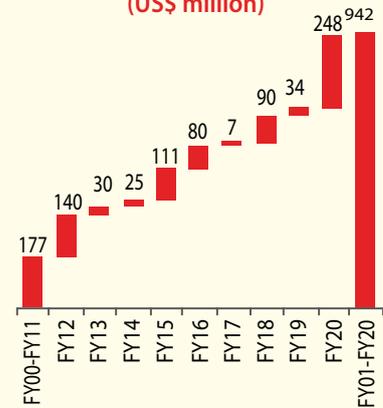
GSDP of Uttar Pradesh at current prices



GSDP of Uttar Pradesh at current prices



FDI inflow in Uttar Pradesh in April 2000-March 2020* (US\$ million)



Note: P- Provisional, BE- Budget Estimate, *- includes Uttarakhand, ^ - CAGR in ₹, ^ - CAGR in ₹ GSDP- Gross State Domestic Product, GSVA – Gross State Value Added, FDI – Foreign Direct Investment

Source: Directorate of Economics & Statistics of Uttar Pradesh, Department for Promotion of Industry and Internal Trade

ADVANTAGES



Geographical advantages (Road and Railway)

- Well-connected to its nine neighbouring states and other parts of India through 48 national highways.
- Biggest railway network in the state with a density of 40 Kms.



Rich labour pool

- With a population of 228.1 million, Uttar Pradesh has a large pool of semi-skilled and unskilled labour



Agricultural hub of India

- Largest producer of food grains in India



Hub of IT/ITeS services and semiconductor industry

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



The Uttar Pradesh government is focusing on key sectors such as IT and ITeS, tourism, manufacturing, agro and food processing, etc. Availability of robust infrastructure, extensive road network, large talent pool, and extensive incentives offered make Uttar Pradesh an attractive business destination.

INDIAN ECONOMY DRIVERS

- Democratic setup:** India is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships. The theme of the Economic Survey 2019 was about “shifting of gears” to sustained economic growth for the objective of a USD5 trillion economy by 2024-25. To achieve this, the

country needs to accelerate and sustain a real GDP growth rate of 8%. This shows there is immense opportunity for each sector to grow.

- Demographic profile:** The section of working-age people in India is likely to reach more than 64% by 2021, with a large number in the 20-35 age group. The realization of this opportunity will involve inculcation of skills, strengthening the fabric of educational system and major reforms in the area of human resource development. The government’s Skill India Campaign aims to train over 40 Crore Indians in different skills by 2022. Also, India is expected to be the largest supplier of university graduates in the world by 2020.

- **Ease of doing business:** In 2014, the Government of India launched an ambitious program of regulatory reforms, aimed at making it easier to do business in India. India's ranking on construction permits has improved from 184 in 2014 to 27 in 2019 following improvement in the procedures and time taken for obtaining the permits.
- **FDI:** The government has liberalized its foreign investment norms by allowing 100% FDI through the automatic route in the infrastructure sector as well as construction development. India's FDI equity inflows reached USD456.79 Bn from April 2000 to December 2019, with maximum contribution from services, computer software and hardware, telecommunications, construction, trading and automobiles.
- **Industrial investment:** Overhaul in infrastructure, easing of supply side bottlenecks, such as availability of skilled labor and land availability, bringing down the cost of doing business, and smoothening of the process for project execution, aided by policy reforms for simplification of tax regime, would herald a more rapid industrial activity. Moreover, the development of industrial corridors and Smart Cities would support industrial sector growth. The industrial sector is likely to grow at an annual average growth rate of around 11.0% during 2016-2025.
- **Infrastructure investment:** The rising demand for infrastructure facilities, rapid growth in urbanization, an expanding middle class and an increasing working-age population would engender substantial increase in infrastructure investments during the next few years. Significant pick-up can be expected, given the various initiatives taken by the government to address the infrastructure bottlenecks.
- **Smart Cities and urbanization:** Effective management of urbanization is critical in shaping India's current and future growth path. Viewing urbanization as an opportunity and urban centers as growth engines, the government launched three flagship schemes: Smart Cities Mission, the Atal Mission for Rejuvenation and Urban Transformation (AMRUT), and Housing For All. These schemes have the potential to transform India, making the country an economic hub, besides ensuring that urban areas are liveable, sustainable, smart and inclusive. This will create a significant multiplier effect for various core and ancillary sectors such as infrastructure, logistics, and construction.
- **Global Housing Technology Challenge-India (GHTC-I):** This aims to bring the most innovative construction technologies to India through a competitive platform. It also aims to promote domestic technological research and platforms for knowledge sharing and networking.

Make in India & Digital India: These two programs focus on skill-building, digital literacy for employability, and greater digitization of a number of services for unhindered, transparent transactions. Together, these initiatives are encouraging entrepreneurial activities for both exports and the domestic market, and are creating a workforce ready to seize opportunities in the digital era.

Opportunities & Threats

Opportunities

- **Industrial corridors:** Industrial corridors offer effective integration between industry and infrastructure, leading to overall economic and social development. Five industrial corridor projects have been identified, planned and launched by the Government of India to provide a boost to industrialization and planned urbanization.
- **Housing for All:** Private sector housing increase will create more construction opportunities. Also, public sector projects through public-private partnerships (PPP model) will bring further opportunities.
- **Growing availability of finance for end-users:** Financial support like loan and insurance and growth in per capita income benefits the construction industry. At the same time, the flow of domestic and international investment into the infrastructure sector will create a stable source of funding for construction projects.
- **Policies reforms:** Various policy reforms have been initiated by governments over the years with respect to infrastructure, industry, and real estate. The Department of Industrial Policy and Promotion has set up Japan Plus and Korea Plus to facilitate and fast-track investment proposals from Japan and South Korea.
- **Government initiatives:** Several Government of India initiatives like Make in India, Digital India, Start-up India, Skill India, PM-JAY, Bharat Mala, Sagarmala, and Swachh Bharat Mission are building a strong eco-system and boost the industrial, real estate and construction sectors.
- **Growth compulsions:** The construction industry in India will remain buoyant due to increased demand from real estate and infrastructure. The present levels of urban infrastructure is inadequate to meet the demands of the existing and increasing urban population and migration from rural to urban areas.

Threats

- **Safety:** Infrastructure safety is a challenging task in the construction industry. Ensuring all-round safety is an on-going challenge for companies.
- **Economic and political instability:** The current economic situation may have an adverse impact on the construction industry. Also, political and security conditions and late legislative enforcement measures always pose a threat to any industry in India. Lack of political will and support on promoting new strategies may push back the growth of the sector.
- **Uncertainty:** Long-term market instability and uncertainty may damage opportunities and prevent the expansion of training and development facilities
- **Natural calamity:** Natural calamities like earthquake or floods and a pandemic scenario like Covid-19 can hinder the construction boom.

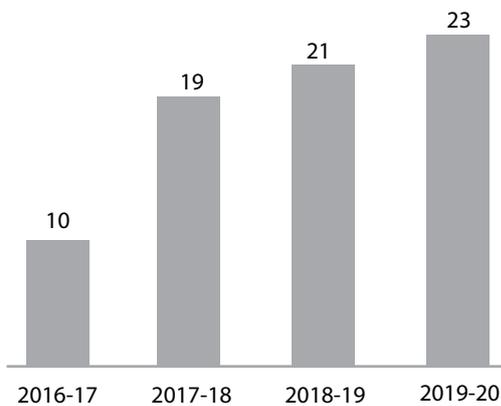
ABOUT PSP PROJECTS LIMITED

An award-winning multi-disciplinary construction Company established in 2008, PSP offers extensive experience and deep expertise in Civil Construction, Building Renovation, MEP (Mechanical, Electrical, and Plumbing) Services, and Interior Fitouts. Since its inception, PSP has efficiently executed 143 industrial, institutional, government, government residential, and private residential projects and has an order book of ₹ 3,07,356 lakhs as on March 31, 2020.

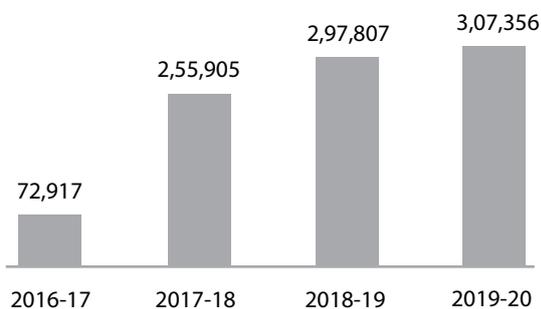
Positioned as a 'One-Stop Solution Provider' from planning and design to construction and post-construction activities, PSP has an unmatched track record of timely delivery with impeccable finish.

While the Company has been present predominantly in Gujarat, it is expanding into new geographies with projects in Rajasthan, Karnataka, Maharashtra and more recently in Uttar Pradesh.

Projects completed in a year



Growing Order Book (INR Lakh)



Segment-wise performance

Industrial projects

Industrial construction in the PSP Projects portfolio includes pharmaceutical plants, food processing units, engineering units, and manufacturing facilities. PSP Projects has particularly in-depth expertise when it comes to pharmaceutical plant construction.

Till March 31, 2020, the Company has executed 55 industrial projects, including facilities for pharmaceutical, food processing, health care, manufacturing as well as engineering companies such as Torrent Pharmaceuticals, Cadila Health care among others.

Institutional projects

With 53 institutional projects undertaken till March 31, 2020, PSP Projects is present in the space of constructing buildings for hospitals and healthcare companies, leading educational institutions, malls, hotels, and corporate offices. Major projects include Construction for Indian Institute of Management, Ahmedabad, Zydus Hospital, and a hostel building for Pandit Deendayal Petroleum University. The Brigade International Financial Centre at GIFT City was completed in 2019.

Government projects

Marquee projects executed by PSP Projects in this segment include Chief Minister's office, Riverfront Development project works in Ahmedabad, and other prestigious assignments. Renovation of the Gujarat Vidhansabha building was completed in 2019. Till March 31, 2020, the Company has delivered 21 prestigious government projects.

Government residential projects

The Company won the commission to design and build 3 major government projects in the affordable housing category. The high-rise residential buildings-cum-commercial units in Gujarat come under the Mukhya Mantri GRUH Yojana. The Company has till March 31, 2020 executed 3 prestigious projects under this category.

Private residential projects

Till March 31, 2020, PSP Projects has executed 11 private residential projects in the category of group housing and townships, and has also constructed independent houses for select private customers.

Revenue break-up of ₹ 1,499.26 Crores for FY 2019-20 (Standalone)

Sector-wise revenue breakup

Segment	% of total revenue
Government	5.79
Government residential	1.83
Industrial	12.11
Institutional	78.11
Residential	2.16

Region-wise revenue breakup

Region	% of total revenue
Gujarat	93.96
Rajasthan	3.00
Karnataka	1.67
Maharashtra	1.00
Uttar Pradesh	0.37

Financial Review

Consolidated

Sales and other income: During the year, total income stood at ₹ 1,523.71 Crores, increasing by 42% from ₹ 1,073.25 Crores in FY 2018-19.

Profit before tax: The profit before tax climbed 26 % to ₹ 173.07 Crores from ₹ 137.33 Crores in the previous year.

Profit after tax: The Company posted a profit after tax of ₹ 128.11 Crores compared to ₹ 89.17 Crores in the previous year, growing by 44%.

Standalone

Sales and other income: During the year, total income stood at ₹ 1,524.03 Crores, increasing by 43% from ₹ 1,066.99 Crores in FY 2018-19.

Profit before tax: The profit before tax climbed 26% to ₹ 174.42 Crores from ₹ 138.53 Crores in the previous year.

Profit after tax: The company posted a profit after tax of ₹ 129.13 Crores, compared to ₹ 90.22 Crores in the previous year, growing by 43%.

Key ratios

Particulars	Standalone		Consolidated	
	2019-20	2018-19	2019-20	2018-19
EBIDTA/Turnover	0.13	0.14	0.12	0.14
Debtors Turnover	54.53	49.84	57.25	51.39
Inventory Turnover	23.57	26.22	23.57	26.06
Interest Coverage Ratio	18.34	21.89	17.49	20.01
Current Ratio	1.39	1.49	1.39	1.49
Debt Equity Ratio	1.10	0.97	1.12	0.99
Operating Profit Margin (%)	10.96	11.95	10.94	11.83
EBIDTA/Net interest	21.32	26.14	20.34	23.92
Net Profit Margin (%)	8.47	8.46	8.41	8.31
Return on average net worth (%)	28.28	24.30	28.21	24.10
Book value per share (₹)	116.98	103.16	116.16	102.59
Earnings per share (₹)	35.91	25.07	35.69	24.84

RISKS AND CONCERNS

Dynamic economic and political developments

- **Risk:** Adverse situations like the 2019 economic slowdown and then the Covid-19 pandemic resulting in stalling of construction activities, unemployment, migrant workers leaving the project site etc have impacted the construction industry and the economy at large.
- **Mitigant:** The Government of India has been taking various measures to ensure that construction activities resume with all safety measures in place by issuing specific approvals to set up labour camps at project sites.

Economic cycles

- **Risk:** The economic cycle generally impacts the entire country and the construction industry almost at the same time, since erosion in spending power impacts certain categories of construction.
- **Mitigation:** The Company is well diversified in terms of its activities and regions, and is well placed to take advantage

of state-led infrastructure development that stimulates a weakened economy.

Competition risk

- **Risk:** There is a constant risk of increasing competition in terms of fewer projects being distributed among several existing players or with new entrants coming into the construction space.
- **Mitigation:** The Company's management leverages its experience, reputation, and customer trust to win top-notch projects and constantly strategize to be ahead of the curve.

Competence risk

- **Risk:** Any failure to deliver on the promise of high-quality and timely construction would adversely affect the Company, even if the failure is caused by some external factors.
- **Mitigation:** The Company draws upon the learnings from its past projects and is able to anticipate bottlenecks and gaps and take pre-emptive action to make delivery efficient at all times.

Financial risks

- **Risk:** Availability of finance at competitive rates is usually one of the biggest challenges in the construction sector. Also, the debt servicing ability of the Company may get affected due to several internal and external factors thereby impacting its creditworthiness.
- **Mitigation:** Though the Company has taken loans for its projects, it is able to manage its working capital requirement well, thereby meeting all its debt obligations on a timely basis.

Technology risk

- **Risk:** Construction technology has been evolving dynamically, making conventional techniques and machinery outdated. A failure to keep up with the changes would impact competitiveness.
- **Mitigation:** The Company has always been known for investing in better technologies to deliver the best quality in the most economical manner.

ENVIRONMENT, HEALTH, SAFETY

PSP Projects has a strong focus on the occupational health and safety of employees, and protection of the environment. The Company is committed to providing a safe and healthy work space, and believes in continuous process improvement in order to minimize the environmental impact of construction. It follows the International Standard practices of ISO 45001 2018 for Occupational Health & Safety Management.

Awareness is promoted among employees regarding health and safety hazards and preventive measures. Through the adoption of safety-oriented technology, PSP Projects aims to mitigate risks during construction activities. Conservation and efficient use of natural resources is of prime importance, too. By adhering to the Environment, Health & Safety Policy at all its construction sites, PSP Projects has been contributing to the sustainable development of the country.

With the onset of the Covid-19 pandemic, the Company laid strong focus on the safety of labourers and employees across its sites. After the Company reopened most of its facilities post relaxation of lockdown, it ensured stringent adherence to health and safety guidelines and social distancing norms. Physical screening of workers, sanitization of construction sites, distribution of face masks and gloves, limited gathering, contactless attendance, etc. were among the safety protocols enforced by the Company.

HUMAN RESOURCES

The Company believes that the success of its projects is based on the passion of its people. The human element is its biggest strength, helping it to achieve the desired outcome in the shortest possible time.

PSP Projects provides an environment where employees can thrive. It has a well-defined organizational structure with industry-

best HR practices in place. People initiatives focus on enabling the diverse workforce to consistently deliver on the Group's vision and facilitating a value-driven, high-performance culture.

Training programs enhance the productivity of new recruits by providing a blended learning experience facilitated by instructor-led training, e-learning, and on-the-job simulations within the first week of joining.

The Company encourages employees to volunteer and participate in various socio-economic activities as a step towards aiding the less privileged and for employees' self-development. As on March 31, 2020 manpower strength was 1,447, including more than 600 technicians.

In the light of the unprecedented Covid-19 pandemic, PSP Projects extended maximum support to its employees and labourers and their families. The Company provided food, adequate wages, accommodation facilities, regular medical check-up and other essential support to the labourers and employees on site. In addition, travel facilities were also arranged for the its migrant workers for return to their native places. The management team was directly involved and engaged with all employees at the PSP sites.

INDUSTRIAL RELATIONS

The industrial relations of the Company during FY2019-20 were amiable and imbued with professional respect. The Company's Directors wish to express that they are proud of their employees contributing to construction excellence.

INFORMATION TECHNOLOGY

PSP Projects utilizes the CANDY technology to address the needs of a core system customized for construction companies. The Company has continuously been adopting advanced technology for improved estimation, budgeting, planning, and monitoring of resource requirements, leading to a detailed and in-depth understanding of the needs of different projects. This has led to a culture wherein informed decisions are taken on the basis of detailed analytics and maintaining the risk-return balance.

The SAP system adopted by the Company provides complete transparency and timely sharing of key project-related details with the management, enabling them to monitor projects at more frequent intervals. The Company also has a proper grievance redressal mechanism in place.

During the year under review, the Company deployed the SAP HANA database management system developed by SAP SE. This in-memory database technology allows real-time data processing to analyse business operations. Leveraging this technology enables the Company to enhance its capabilities and decision-making.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Pursuant to the provisions of section 134(5) (e) Companies Act, 2013, every listed company has to lay down Internal Financial

Controls and ensure that these are adequate and operating effectively. Internal Financial Controls means the policies and procedures adopted by the Company to ensure the following:

1. Orderly and efficient conduct of its business
2. Adherence to Company policies
3. Safeguarding of its assets
4. Prevention and detection of frauds and errors
5. Accuracy and completeness of the accounting records and timely preparation of reliable financial information

The Company has a well-defined internal control system in place to ensure safeguarding of assets, (financial, human, and equipment) and compliance with the applicable regulatory requirements. A group of well qualified internal auditors audits the internal controls at weekly intervals and reports the findings/deviations to the Audit Committee of the Board.

Based on the report of Internal Audit Function, the Audit Committee reviews the audit observations and undertakes corrective actions, if necessary. It maintains a constant dialogue with statutory and internal auditors to ensure that internal control systems are operating effectively.

CAUTIONARY STATEMENT

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

Board's Report

Dear Members,

Your Directors have the pleasure in presenting the Twelfth (12th) Board's report on the business and operations of your Company ('PSP Projects Limited' or 'PSP Projects' or 'the Company'), together with the audited standalone and consolidated financial statements for the year ended March 31, 2020.

1. Financial Highlights

The standalone and consolidated performance for the financial year ended March 31, 2020 is as under:

(₹ in Lakhs, except per equity share data)

Particulars	Standalone		Consolidated	
	2019-20	2018-19	2019-20	2018-19
Revenue from operations	1,49,925.77	1,04,401.25	1,49,925.93	1,05,040.66
Other income (net)	2,477.53	2,297.84	2,416.63	2,274.85
Total Income (A)	1,52,403.30	1,06,699.09	1,52,342.56	1,07,315.51
Cost of Construction Material Consumed	52,665.93	43,071.43	52,665.93	43,369.90
Changes in Inventories of Work-In-Progress	839.41	(1,791.48)	839.41	(1,791.48)
Construction Expenses	70,042.26	42,915.74	70,044.68	43,272.51
Employee benefits expense	5,944.04	4,317.82	5,948.66	4,321.26
Finance costs	1,463.80	916.05	1,505.58	967.39
Depreciation and amortization expense	2,669.17	2,422.90	2,669.55	2,430.17
Other expenses	1,336.50	993.29	1,361.75	1,012.33
Total Expenses (B)	1,34,961.11	92,845.75	1,35,035.56	93,582.08
Profit Before tax (PBT) (A-B)	17,442.19	13,853.34	17,307.00	13,733.43
Less Total Tax Expense	4,516.16	4,829.72	4,504.49	4,821.49
Net Profit After Tax (PAT)	12,926.03	9,023.62	12,802.51	8,911.94
Share of Profit/(Loss) from JV	-	-	28.41	9.07
Other Comprehensive Income	(13.14)	(2.10)	(20.17)	(4.23)
Total Comprehensive Income	12,912.89	9,021.52	12,810.75	8,916.78
Earnings per share (₹ 10/- each)				
a) Basic	35.91	25.07	35.69	24.84
b) Diluted	35.91	25.07	35.69	24.84

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

2. Financial Performance Review

(i) Summary of Standalone Financial Performance

(₹ in Lakhs)

Particulars	Standalone		
	2019-20	2018-19	YOY growth (%)
Revenue from operations	1,49,925.77	1,04,401.25	44%
Total Operating Expenses	1,30,828.14	89,506.80	46%
EBITDA	19,097.63	14,894.45	28%
EBITDA Margin (%)	12.74%	14.27%	-
Profit Before Tax	17,442.19	13,853.34	26%
Profit After Tax	12,912.89	9,021.52	43%
PAT Margin (%)	8.47%	8.46%	

(ii) Summary of Consolidated Financial Performance

₹ in Lakhs)

Particulars	Consolidated		YOY growth (%)
	2019-20	2018-19	
Revenue from operations	1,49,925.93	1,05,040.66	43%
Total Operating Expenses	1,30,860.43	90,184.52	45%
EBITDA	19,065.50	14,856.14	28%
EBITDA Margin (%)	12.72%	14.14%	
Profit Before Tax	17,307.00	13,733.43	26%
Profit After Tax	12,810.75	8,916.78	44%
PAT Margin (%)	8.41%	8.31%	

Your Company has adopted the option available under Section 115BAA of the Income-tax Act, 1961 as per the Taxation Laws (Amendment) Act, 2019 dated December 11, 2019. Accordingly, our effective tax rate including deferred tax is at 25.89% as compared to 34.86 % in the previous year.

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

3. Operational Performance review

PSP Projects Limited is a multidisciplinary construction company offering a diversified range of construction and allied services across industrial, institutional, government, government residential and residential projects in India. Your company provides its services across the construction value chain, ranging from planning and design to construction and post-construction activities, including MEP work and other interior fitouts to private and public sector enterprises. Historically, your company have focused on projects in the Gujarat region. More recently, have actively expanded its geographical presence to other states and diversified its portfolio of services and presently have presence over 5 states in India.

Your company received work orders worth ₹ 1,57,897.11 Lakhs during the period under review. The major projects awarded during the year included, one affordable housing project in Maharashtra, Construction of Gujarat's largest mall – Phoenix mall at Ahmedabad, Gujarat, Construction of a plant for a leading FMCG company at Sanand, Ahmedabad, one marquee hotel interior project at Gandhinagar, Gujarat. Furthermore, it received its first and prestigious project in the state of Uttar Pradesh for Development of Shri Kashi Vishwanath Dham and its beautification.

Till March 31, 2020, your company had successfully completed 143 projects out of which 23 projects were completed during the period under review. The Major Completed projects during the year included two projects at GIFT City viz one project of Prestige Fintech and another Grand Mercury Hotel by Brigade Group, Construction of corporate house for one of its prestigious client Zydus Group and construction work for injectable unit at Ahmedabad for Punishka Healthcare Private Limited. Moreover, your company's first major project outside Gujarat for Bangalore Milk Union Limited in Bengaluru, Karnataka was handed over to client this year.

As of March 31, 2020, we had a robust order book of ₹ 3,07,356 Lakhs, including 47 projects under execution spread over Gujarat, Rajasthan, Karnataka, Maharashtra and Uttar Pradesh. The category wise and geographical wise breakup of the order book is as under:

Category wise Break up

Category	% of order book
Institutional	51.59%
Government residential	24.20%
Government	15.95%
Industrial	5.55%
Residential	2.71%

Geographical Break up

Category	% of order book
Gujarat	62.34%
Maharashtra	24.20%
Uttar Pradesh	10.85%
Rajasthan	1.43%
Karnataka	1.18%

Major ongoing projects as of March 31, 2020:

(₹ in Lakhs)

Description of the ongoing projects	Location	Total Contract Value	Outstanding Contract Value
Surat Diamond Bourse Main Contract Works	Surat, Gujarat	1,57,500	61,829
EWS Housing project	Bhiwandi, Maharashtra	60,140	60,140
Development of Shri Kashi Vishwanath Dham	Varanasi, Uttar Pradesh	33,900	33,344
IIM Ahmedabad	Ahmedabad, Gujarat	32,801	27,062

(₹ in Lakhs)

Description of the ongoing projects	Location	Total Contract Value	Outstanding Contract Value
Affordable housing project	Pandharpur, Maharashtra	15,755	14,251
Phoenix mall	Ahmedabad, Gujarat	13,909	10,634
Sabha hall & residential complex	Ahmedabad, Gujarat	10,460	10,460
Zydus hospital	Vadodara, Gujarat	10,691	9,587
Multi-tenanted office	Gandhinagar, Gujarat	13,050	9,405
Civil/structural works for FMCG company	Ahmedabad, Gujarat	9,973	9,020
Residential complex for pharma company	Dahod, Gujarat	7,893	7,392
Construction of medical college	Dahod, Gujarat	22,500	5,634
Hospital on Lumpsum turnkey basis	Sitapur, Gujarat	7,739	5,598
Super speciality block of medical college	Bhavnagar, Gujarat	7,860	4,641

4. Impact of COVID-19 Pandemic

The outbreak of Corona virus (COVID-19) pandemic globally and in India has caused and continue to cause significant disruption in the business activities worldwide, resulting in an economic slowdown. As a measure to prevent the community spread of COVID -19, the government of India ordered a nationwide lockdown in tranches, which resulted in significant reduction in economic activities.

As of March 31, 2020, in view of the sudden lockdown, our site operations were closed and work from home was enabled for all the employees at the corporate office of the company. Subsequently, with the release of the notification and guidelines issued by the government, work was resumed at some of the sites upon receipt of approval from concerned authorities. However, after the movement of interstate migrant labourers to their native places amid the COVID- 19 induced situation, the available labourers were deployed at major project sites for their optimum utilisation and were working at a reduced labour strength. Gradually, the labourers started to return and resume work and consequently the company has been able to restore majority of its labour workforce and expects the business operations to come back to normalcy by Q2FY21. Moreover, the employees at the corporate office have resumed work with implementation of all the necessary social distancing and safety guidelines. Protection of health and safety of the employees and labourers remains of utmost priority to your company, while ensuring that there is minimum disruption to regular business operations.

The overall situation impacted the tight timelines of some of our projects. Further, due to non-working conditions during the lockdown and subsequent migration of workers to their home states resulted into sudden downfall/negligible sales, while, simultaneously the company is surrounded by many fix cost to perform. Additionally, the company has sufficient cash funds in the form of fixed deposits and partially unutilised fund based credit facilities to meet short term financial shortfalls. Although there have been some uncertainties due to the pandemic, the company continues to take measures to mitigate the adverse impact.

5. Awards and Recognitions

Your company received several awards in recognition of its contribution to the construction sector during the financial year 2019-20. Some of the prestigious awards are:

- Felicitated as the Second Fastest Growing Construction Company in Small Category and 'India's Top Challengers Awards' by Construction World Global Awards 2019 for second time in a row.
- Recognition as the 'Fastest Growing Construction & Engineering Company' by CREDAI during CREDAI Gujarat Growth Ambassadors Summit, 2019.
- Three projects of your company were acclaimed at the ICI – UltraTech Outstanding Structure Awards 2020 as below:
 - a) Gujarat Housing Board (GHB) Naranpura and Lilavati Library Project at CEPT University were declared as the winner of the ICI – UltraTech Outstanding Structure Awards 2020 (Regional) in the mass housing and institutional category respectively.
 - b) One42 was declared as the winner of the ICI – UltraTech Outstanding Structure Awards 2020 (State) in the commercial category.

6. Quality, Environment, Health and Safety

Your company's continual commitment to safety, health, environment and quality management is achieved through implementation of an integrated management system in accordance with ISO 9001:2015, ISO 14001:2015 and ISO 45001-2018. Our company believes in 'Safety first' and continuously pursues initiatives to improve the quality of lives of our site workers and their families and ensuring zero mishaps.

7. Change in the nature of business, if any

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

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

There have been no material changes and commitments, which affect the financial position of your Company, that have occurred between the end of the financial year to which the financial statements relate and the date of this report.

9. Dividend

During the year under review, the board of directors of your company declared and paid an interim dividend of ₹ 5/- per equity share of the face value of ₹ 10/- each for the financial year ended March 31, 2020.

The board recommends to confirm the Interim Dividend of ₹ 5/- per equity share of the face value of ₹ 10/- paid by the company for the financial year ended March 31, 2020 as Final Dividend at the ensuing 12th Annual General Meeting.

The total dividend pay-out on equity shares (excluding dividend tax) for the financial year ended March 31, 2020 aggregates to ₹ 1,800 Lakhs.

The dividend pay-out is in accordance with the Company's Dividend Distribution Policy, which is annexed to this report as **Annexure A** and is also available on the website of the company at: (<https://www.pspprojects.com/wp-content/uploads/2017/10/Dividend-Distribution-Policy-1.pdf>)

Unpaid/Unclaimed Dividend

The total amount lying in the Unpaid Dividend Account of the company as on March 31, 2020 is as under:

Dividend for the Financial Year	Amount of Unpaid/Unclaimed Dividend as on	Amount of Unpaid/Unclaimed Dividend (in ₹ in lakhs)
2018-19	March 31, 2020	0.55
2017-18	March 31, 2020	0.57
2016-17	March 31, 2020	0.15

11. Credit Rating

During the year under review, CARE Ratings Limited- a reputed credit rating agency reaffirmed its Credit rating of your company's Long term/Short term bank facilities as under:

Facilities	Amount (₹ in Lakhs)	Rating	Rating Action
Long-term Bank Facilities	4,500.00	CARE A+; Stable [Single A Plus; Outlook: Stable]	Reaffirmed
Long-term/ Short-term Bank Facilities	56,500.00	CARE A+; Stable / CARE A1+ [Single A Plus; Outlook: Stable, A One Plus]	Reaffirmed
Total Facilities	61,000.00 [Rupees Sixty One Thousand Lakhs Only]		

This reaffirms the high reputation of the company and its ability to meet financial obligations.

The Statement containing the names and last known addresses and amount of dividend to be paid to the members (of latest available date) is available on the website of the company at:

Details of unpaid/unclaimed dividend for the financial year 2018-19:
(<https://www.pspprojects.com/wp-content/uploads/2017/09/Statement-of-Unpaid-Dividend-18-19-30.06.2020.pdf>)

Details of unpaid/unclaimed dividend for the financial year 2017-18:
(<https://www.pspprojects.com/wp-content/uploads/2017/09/Statement-of-Unpaid-Dividend-17-18-30.06.2020.pdf>)

Details of unpaid/unclaimed dividend for the financial year 2016-17:
(<https://www.pspprojects.com/wp-content/uploads/2017/09/Statement-of-Unpaid-Dividend-16-17-30.6.2020.pdf>)

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

Transfer of unclaimed dividend to investor education and protection fund:

Since the statutory period of seven years has yet not been completed for transfer of unclaimed and unpaid dividend, the provision of Section 125 of the Companies Act, 2013 does not attract to your company.

10. Appropriation

a) Transfer to Reserves

During the year under review, your Company has not transferred any amount to the reserves.

b) Public Deposits

During the year under review, your Company has not accepted any deposits under Chapter V of the Act and Companies (Acceptance of Deposits) Rules, 2014 from public / members.

12. Share Capital

During the year under review, there is no change in the share capital structure of your company.

As on March 31, 2020, the Authorized Share Capital of the company stood at ₹ 50,00,00,000/- representing 5,00,00,000 shares of face value of ₹ 10/- each and the Paid up share capital stood at ₹ 36,00,00,000/- representing 3,60,00,000 shares of face value of ₹ 10/- each.

As on March 31, 2020, 100% of your Company's total paid up capital representing 3,60,00,000 shares are in dematerialized form.

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

13. Performance of Subsidiaries/Joint Venture

The Company has two subsidiaries and one joint venture as on March 31, 2020. There is no associate company that fall within the meaning of Section 2(6) of the Companies Act, 2013 ("Act"). There has been no material change in the nature of the business of the subsidiaries and Joint Venture.

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

PSP Projects INC

During the period under review, PSP Projects INC (foreign subsidiary) formed a California limited liability company, PSP Fremont LLC with 50% partnership; engaged in the same line of business of making investment in development and construction of residential and commercial properties. As on date, PSP Projects INC is a 50% partner in P&J Builders LLC and PSP Fremont LLC viz Step down foreign Joint ventures (Level-I) of your company. PSP Fremont LLC further has a wholly owned California limited liability company by the name Guttenberg Project, LLC engaged in the development and construction of residential and commercial properties.

As on March 31, 2020, there was no revenue from the operations of the foreign subsidiary, while the other income stood at ₹ 173.96 Lakhs and further incurred a net loss of ₹ 30.91 Lakhs.

PSP Projects & Proactive Constructions Private Limited

As on March 31, 2020, the revenue from operations of PSP Projects & Proactive Constructions Private Limited, domestic subsidiary of the company stood at ₹ 0.85 Lakhs, other income stood at ₹ 23.70 Lakhs, while it registered a net loss of ₹ 64.20 Lakhs.

GDCL & PSP Joint Venture

As on March 31, 2020, GDCL & PSP Joint Venture earned a net profit ₹ 57.99 Lakhs, out of which net profit of ₹ 28.41 lakhs forms part of the consolidated financials of your company. The turnover of the JV is not shown in consolidated financial statements of your company.

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

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

As on March 31, 2020, your Company does not have any material subsidiary and pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Policy for determining material subsidiaries is available on the website of the company at: (<https://www.pspprojects.com/wp-content/uploads/2017/10/Policy-on-Material-Subsidiary-April-2019.pdf>)

14. Extract of Annual Return

As per the requirements of Section 92(3) of the Act and read with Companies (Management and Administration) Rules, 2014, an extract of annual return of your Company as on March 31, 2020 is set out as **Annexure B** in the prescribed Form No. MGT-9, which forms part of this report. The same is available on the website of the company at : (<https://www.pspprojects.com/financial-performance/>)

15. Committees of the Board

As on March 31, 2020, there were following committees of the board to assist it in discharging its responsibilities:

- a) Audit Committee
- b) Nomination and Remuneration committee
- c) Stakeholder Relationship Committee
- d) Corporate Social Responsibility Committee
- e) Fund Raising committee

During the year under review, the audit committee of the company was reconstituted and Mrs. Zarana P. Patel, Independent Director was inducted as the member of the committee.

Post reconstitution, the composition of the Audit committee is as under:

Sr. no.	Name of Director	Category of Director	Designation in the committee
1.	Mr. Vasishtha P. Patel	Independent Director	Chairman
2.	Mrs. Zarana P. Patel	Independent Director	Member
3.	Mr. Sandeep H. Shah	Independent Director	Member
4.	Mr. Prahaladbhai S. Patel	Chairman, Managing Director & CEO	Member

More details on the board and its committees are included in the Corporate Governance Report, which forms part of this Annual Report.

As on date of this report, the Board of Directors of the company has formed a Risk Management Committee for monitoring and reviewing the risk management plan for the Company and reconstituted the corporate social responsibility and Stakeholder relationship committee of your company.

16. Directors and Key Managerial Personnel

a) Directors

Director retiring by rotation:

In accordance with the provisions of the Act and the Articles of Association of your company, Ms. Pooja P. Patel (DIN: 07168083), Executive Director of the company, retires by rotation at the 12th Annual General meeting and being eligible offers herself for re-appointment. The board recommends her re-appointment.

Appointment/ Reappointment of Directors:

Pursuant to the provisions of the Companies Act, 2013, the members at the 11th Annual General meeting of the company held on September 18, 2019 approved re-appointment of:

- Mr. Prahaladbhai S. Patel (DIN: 00037633), as the Chairman, Managing Director and CEO of the company, for a further period of 5 (five) years with effect from July 9, 2020 to July 8, 2025 on terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee and approved by the Board;
- Mr. Vasishtha P. Patel (DIN: 00808127), Mr. Sandeep H. Shah (DIN: 00807162) and Mr. Chirag N. Shah (DIN: 02583300), as the Non-Executive Independent Directors of the Company, not liable to retire by rotation, to hold office for a second term of 5 (five) years with effect from September 1, 2020 to August 31, 2025.

During the year under review, Mr. Sagar P. Patel (DIN: 07168126) and Mrs. Zarana P. Patel (DIN: 08580937) were appointed as Executive Director and Non-Executive Women Independent Director respectively by Ordinary resolution passed by members through Postal Ballot on November 25, 2019.

The Board of Directors at its meeting held on August 05, 2020, re-appointed Ms. Pooja P. Patel (DIN: 07168083) as WholeTime Director designated as an Executive Director of the company for a further period of five years, effective from September 1, 2020, subject to approval of the members by way of special resolution at the 12th Annual General Meeting. The notice convening the 12th Annual General meeting sets out the details of her re-appointment.

Resignation:

Mrs. Shilpaben P. Patel (DIN: 02261534), Whole Time Director of the company has resigned from the directorship of the company w.e.f. August 05, 2020 due to personal reasons. The Board places on record its appreciation for her invaluable contribution and guidance.

Declaration by Independent Directors:

All the Independent Directors of your Company have submitted their declaration confirming that each of them meet the criteria of independence as laid down under Section 149 of the Act and the Regulation 16(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

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

Programme for familiarisation of Directors

The details of the Familiarisation Programme imparted to the Independent Directors of the company are placed on the website of the company at: (<https://www.pspprojects.com/wp-content/uploads/2017/10/Policy-on-Familiarisation-Programme-19-20-1.pdf>)

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

Neither the Managing Director, Whole-time Director/ Executive Director of the Company receive any remuneration or commission from any of its subsidiaries.

b) Key Managerial Personnel

The following are the Key Managerial Personnel of your Company pursuant to the provisions of Section 203 of the Companies Act, 2013:

- Mr. Prahaladbhai S. Patel, Chairman, Managing Director & Chief Executive Officer
- Mrs. Shilpaben P. Patel, WholeTime Director (Resigned w.e.f. August 05, 2020)
- Ms. Pooja P. Patel, Executive Director
- Mr. Sagar P. Patel, Executive Director (Appointed w.e.f. November 1, 2019)
- Mrs. Hetal Patel, Chief Financial Officer
- Ms. Mittali Christachary, Company Secretary & Compliance Officer.

Except as mentioned above, there were no other changes in Directorship of the company as well as Key Managerial Personnel category during the year under review.

c) Number of meetings of the board and its committees:

During the year under review:

- i. Six (6) meetings of the board of directors were held;
- ii. Four (4) meetings of the Audit committee were held;
- iii. Two (2) meetings of the Nomination and Remuneration committee were held;
- iv. One (1) meeting of the Stakeholder relationship committee was held;
- v. Four (4) meetings of the Corporate social responsibility committee were held;
- vi. One (1) meeting of the Fund Raising committee was held;

Additionally, one Separate meeting of the Independent Directors was also held in compliance with the requirements of Schedule IV of the Companies Act, 2013 and Regulation 25(3) and 25(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The intervening gap of the board meetings and audit committee meetings were within the period as prescribed under the Companies Act, 2013.

As on date of this report, the Board of Directors of the company has formed a Risk Management Committee for monitoring and reviewing the risk management plan for the Company.

More Details of the meetings of the board and committees are included in the Corporate Governance report, which forms part of this Annual Report.

17. Vigil Mechanism / Whistle Blower

In compliance with the requirements of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI (Prohibition of Insider Trading) Regulations, 2015, your company has framed a Whistle blower policy for its Directors and employees to report genuine concerns and to freely communicate their concerns about the illegal or unethical practices and/or instances of leakage of Unpublished Price Sensitive information. During the year under review, no cases has been reported or investigated under the Whistle Blower policy of the company.

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

18. Director's Responsibility Statement

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

- a) in the preparation of the annual accounts for the financial year ended March 31, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the Financial Year and of the profit of the company for that period;
- c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the directors have prepared the annual accounts for the financial year ended March 31, 2020 on a going concern basis;
- e) the directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

19. Auditors & their Reports

a) Statutory Auditors

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

Your Company has obtained eligibility certificates from the Joint Statutory Auditors for continuing as the Auditors and accordingly, they have confirmed that their appointment is within the limits as specified in section 141 of the Companies Act, 2013 and they are not disqualified from continuing as Statutory Auditors of the Company.

The report of the Statutory Auditor along with Notes to Accounts forms part of this Annual report. The Auditors' Report do not contain any qualifications, reservations, or adverse remarks.

b) Secretarial Auditor:

The Board of Directors had appointed Mr. Rohit S. Dudhela, Practicing Company Secretary (COP: 7396), as the Secretarial Auditor to conduct Secretarial Audit for the financial year 2019-20 under the provisions of section 204 of the Companies Act, 2013. The Secretarial Audit Report is annexed to this report as **Annexure C** which is self-explanatory and do not call for any further explanation of the Board of directors.

c) Cost Auditor:

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

Further, as per section 148 read with Companies (Audit and Auditors) Rules, 2014, the board of directors on recommendation of the Audit committee has reappointed M/s. K.V. Melwani & Associates, Practicing Cost Accountant (FRN: 100497) as the Cost Auditor of your Company for the financial year 2020-21. Your Company has received their consent for their re-appointment as the Cost Auditors of the Company for the financial year 2020-21. As required under Companies Act, 2013, the ratification of the remuneration payable to the Cost Auditor is recommended to the members at the ensuing 12th Annual General meeting.

d) Internal Auditor:

Manubhai & Shah LLP, Chartered Accountants, Ahmedabad (LLP identity No. AAG-0878) continued to be the Internal Auditors of the company under the provision of Section 138 of the Companies Act, 2013 for conducting the internal audit of the company for the financial year 2019-20. The Internal Audit Report issued by Manubhai & Shah LLP is submitted to the Audit Committee and Board of directors.

20. Corporate Social Responsibility

As on March 31, 2020, the Corporate Social Responsibility Committee comprised of Mrs. Shilpaben P. Patel, WholeTime Director (Chairperson), Mr. Prahaladbhai S. Patel, Managing Director & CEO (Member) and Mr. Sandeep H. Shah, Independent Director (Member) of the company.

As, Mrs. Shilpaben P. Patel resigned from the directorship w.e.f August 05, 2020, the Corporate Social responsibility committee was reconstituted with induction of Ms. Pooja P. Patel as the member of the committee and Mr. Sandeep H. Shah as the Chairperson of the committee.

Other details regarding CSR Committee has been included in the Corporate Governance Report, which forms part of this Annual Report.

The Company's total expenditure on CSR activities for the year ended March 31, 2020 was ₹ 219.24 Lakhs, which is 2.15% of average net profit of last three years computed as per the provision of the Companies Act, 2013.

The Report on Corporate Social Responsibility (CSR) of your company as per Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed to the Board's Report as **Annexure D**.

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

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

No significant or material orders were passed by the Regulators or Courts or Tribunals which impacts the going concern status and Company's operations in future.

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

22. Secretarial Standards

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

23. Management Discussion and Analysis

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

24. Corporate Governance Report

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

25. Business Responsibility Report

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

26. Nomination and Remuneration Policy

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

We affirm that the remuneration paid to the Executive directors of your company is as per the Nomination and remuneration policy adopted by your company.

27. Performance Evaluation

Based on the criteria prescribed by the Nomination and Remuneration Committee, during the year under review, the board of directors of the company continued to follow a formal mechanism adopted for evaluating its own performance, its committees and individual directors, including the chairman of the board.

The exercise was carried out covering various aspects of the board and its committees such as the size, structure, composition and expertise of the board, frequency of meetings, effective discharge of functions and duties by Board and Committee prescribed under the law and as per terms of reference, in case of the committees, ensuring the integrity of the company's accounting and financial reporting systems, independent audit, internal audit and risk management systems (for Board and Audit Committee), working in the interests of all the stakeholders of the company and such other factors. A separate exercise was carried out for

evaluating the performance of individual directors on the basis of criteria such as attendance and Participation at the Board and Committee Meetings, integrity and maintaining confidentiality, effective deployment of Knowledge and Expertise, interpersonal Relationships with other Directors and Management, acting in good faith and interest of Company as a Whole, assist the Company in implementing the good corporate governance practices, contribution to strategy and relevant aspects impacting company's performance, protect the interests of all stakeholders and balance the conflicting interest of the stakeholders and such other factors as deemed appropriate.

The Board also considered the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India.

After seeking inputs from individual directors, a consolidated report was presented before the board of directors, on the basis of which evaluation was done.

In a separate meeting of independent directors, performance of non-independent directors and the board as a whole was evaluated, taking into account the views of executive directors and non-executive directors.

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

The details about the performance evaluation criteria for independent directors are given in the Corporate Governance Report.

28. Particulars of Loans, Guarantees or Investments

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

29. Particulars of contracts or arrangements with Related parties

Your Company has formulated a policy on related party transactions which is available on the website of the company at: (<https://www.pspprojects.com/wp-content/uploads/2017/10/Policy-on-Related-Party-Transactions-April-2019.pdf>)

During the year under review prior omnibus approval of the Audit Committee has been obtained for related party transactions which are of repetitive nature and entered in the ordinary course of business and at an arm's length basis. All related party transactions are placed before the Audit Committee for review and approval.

During the year under review, there were no material related party transactions entered by your Company.

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

The disclosure of related party transactions pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 during the financial year under review in Form no. AOC-2 is annexed to this report as **Annexure E**.

30. Risk Management

Your company follows a structured approach to manage and mitigate risks. The company's formal approach/ framework for Risk management is available on the website of the company at: (<https://www.pspprojects.com/wp-content/uploads/2017/10/Risk-Management-Plan.pdf>).

As on date of this report, the Board of Directors of the company has formed a Risk Management Committee for monitoring and reviewing the risk management plan for the Company.

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

31. Internal control system and their adequacy

Your company has an Internal Control system commensurate with the size, scale and complexity of its business operations. The effectiveness of the Internal controls is assessed through periodic reviews by the Audit committee, monitoring by the functional heads and quarterly internal audits by the internal auditor of the company. There were no material or serious observation received from the Internal Auditors of the Company for inadequacy or ineffectiveness of such controls during the period under review.

More details in respect of internal control system and their adequacy are included in the Management Discussion and Analysis Report, which forms part of this Annual report.

32. Policy on prevention of sexual harassment at workplace

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

Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment comprising of two senior women employees, one male employee and one external member. All employees (permanent, temporary, trainees) are covered under this policy. During the year under review, your company has not received any complaints on sexual harassment.

33. Reporting of frauds

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

34. Particular of employees

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

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

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

36. Acknowledgements

Your Board of directors places on record their sincere appreciation to employees at all levels for their hard work, dedication, cooperation and commitment during the year.

Your board of directors also conveys its appreciation for its shareholders, clients, vendors, suppliers, banks, government and regulatory authorities and stock exchanges, for their continued support.

For & on behalf of the Board of Directors

Prahaladbhai S. Patel

Chairman & Managing Director
(DIN: 00037633)

Ahmedabad
August 5, 2020

Annexure A

Dividend Distribution Policy

I. Background:

SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations dated July 8, 2016 introduced a new regulation 43A which prescribed that the top five hundred listed entities based on market capitalization (calculated as on March 31 of every financial year) shall formulate a dividend distribution policy which shall be disclosed in their annual reports and on their websites.

The amendment further prescribed that the companies other than the top five hundred listed entities based on market capitalization may disclose their dividend distribution policies on a voluntary basis in their annual reports and on their websites.

The Board of Directors of PSP Projects Limited has adopted this Dividend Distribution Policy in its meeting held on August 9, 2018 with an objective to enable investors, potential investors and analysts to take a view on the likely dividend payout by a company.

This Policy sets out the parameters and circumstances that will be taken into account by the Board of Directors of the Company in determining the distribution of dividend to its shareholders and/or retaining profits earned by the Company. The Board of Directors may in extraordinary circumstances, deviate from the parameters listed in this policy.

II. Parameters:

a. The circumstances under which the shareholders may or may not expect dividend:

The Company shall comply with the relevant statutory requirements that are applicable to the Company in declaring dividend or retained earnings.

Some unforeseen circumstances under which the shareholders may or may not expect a dividend are:

- Adverse Market Conditions and business uncertainty;
- Inadequacy of profits earned during fiscal year
- Inadequacy of cash balance
- Large forthcoming capital requirements to be funded through internal accruals
- Changing Regulations.

b. The financial /internal parameters that shall be considered while declaring dividend:

Currently, the Board considers the yearly dividend based on the Net Profit after Tax (PAT) available for distribution as reported in the Standalone statutory financial statements prepared in accordance with the applicable Indian Accounting Standards.

The Company has a track record of steady increases in dividend declarations over its history. The current dividend policy is to distribute a minimum of 20% of the Net Profits after Tax (Standalone) each year under normal circumstances. The Board has the discretion to recommend a lower dividend in case the business demands it. The Board may also recommend special dividend as and when it deems fit.

Other Internal Parameters:

- Present and future capital requirements of the business (example – day to day requirements, funding of business acquisitions, investment in new business/initiatives, etc).
- Additional investments in the subsidiaries/ associates of the Company, by way of loans or subscription to their securities.
- Cash flow required to meet contingencies.
- Borrowings outstanding.
- Trends of declaration of dividends in the past.
- Any other significant developments that require cash investments.

c. External factors considered for declaration of dividend:

The Board of Directors of the Company shall consider the following external parameters while declaring dividend or recommending dividend to shareholders:

- Any significant changes in macro-economic environment affecting India or the geographies in which the Company operates, or the business of the Company or its clients;
- Any political, tax and regulatory changes in the geographies in which the Company operates;
- Any significant change in the business or technological environment resulting in the Company making significant investments to effect the necessary changes to its business model;
- Any changes in the competitive environment requiring significant investment.

d. How the retained earnings shall be utilized:

Retained Earnings may be used for corporate actions in accordance with applicable law and for investments towards growth of the business.

e. Provisions in regard to various classes of shares:

The Company has only a single class of shares (Equity) and this policy shall be applicable only in this respect.

In future, if the company issue multiple classes of shares, the parameters of the dividend distribution policy will be appropriately addressed.

III. Review:

The Board of Directors may review this policy periodically, by taking into account various circumstances and in accordance with regulatory requirements.

IV. Amendment:

The Board of Directors reserve(s) the right to alter, modify, add, delete or amend any of the provisions of the Policy.

In case of any amendment(s) and/or clarification(s) to the Regulatory Provisions, the Policy shall stand amended accordingly from the effective date specified as per the Regulatory Provisions.

Annexure B

Form no. MGT -9 Extract of Annual Return

as on the Financial Year ended March 31, 2020

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. Registration and Other Details

(i) Corporate Identification Number (CIN):	L45201GJ2008PLC054868
(ii) Registration Date:	August 26, 2008
(iii) Name of the Company:	PSP Projects Limited
(iv) Category / Sub-Category of the Company:	Company Limited by shares / Indian Non-Government Company
(v) Address of the Registered office and contact details:	"PSP House", Opp. Celesta Courtyard, Opp. lane of Vikram Nagar Colony, Iscon-Ambli Road Ahmedabad GJ 380058 Contact no.: 079- 26936200/26936300/+91 9512044646 Email id: grievance@pspprojects.com website: www.pspprojects.com
(vi) Whether listed company	Yes
(vii) Name, address and contact details of Registrar and Transfer Agent, if any	KFin Technologies Private Limited (Formerly known as Karvy Fintech Private Limited) "Selenium Tower B", Plot 31-32, Financial District, Nanakramguda, Serilingampally, Rangareddy, Hyderabad – 500032 Telangana Tel: 040- 67162222 Email id: einward.ris@kfintech.com/suresh.d@kfintech.com Website: www.kfintech.com

II. Principal Business Activities of the Company

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

Sr. no.	Name and Description of main products / service	NIC Code of the Product/ service	% to total turnover of the company
1.	Construction of building and others	4100	100%

III. Particulars of Holding, Subsidiary and Associate Companies including Joint Ventures

No. of Companies for which information is to be given: 3

Sr. no.	Name & Address of the company	CIN / FCRN	Holding/ Subsidiary/ Associate/ Joint Venture	% of shares held	Applicable Section
1.	PSP Projects INC 8373 Liberty Walk Drive, Round Rock, Texas- 78681, USA	NA	Subsidiary	100	2(87)
2.	PSP Projects & Proactive Constructions Private Limited 'PSP House', Opp. Celesta Courtyard, Opp. Lane of Vikramnagar Colony, Iscon-Ambli Road, Ahmedabad –380058	U45203GJ2016PTC085649	Subsidiary	74	2(87)
3.	GDCL & PSP Joint Venture 301,302, 303, Perna Arcade, Opp. Doctor House, Ambawadi, Ahmedabad-380006	NA	Joint Venture	49	2(6)

IV. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Shareholding:

Sr. No.	Category of shareholder	No. of Shares held at the beginning of the year April 1, 2019				No. of Shares held at the end of the year March 31, 2020				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters and Promoter Group										
(1) Indian										
(a)	Individuals/Hindu Undivided Family	2,63,82,319	0	2,63,82,319	73.28	2,65,74,914	0	2,65,74,914	73.82	0.53
(b)	Central Government/ State Government(s)	0	0	0	0	0	0	0	0	0
(c)	Bodies Corporate	0	0	0	0	0	0	0	0	0
(d)	Financial Institutions/ Banks	0	0	0	0	0	0	0	0	0
(e)	Others-Trust	0	0	0	0	0	0	0	0	0
	Sub-Total (A) (1)	2,63,82,319	0	2,63,82,319	73.28	2,65,74,914	0	2,65,74,914	73.82	0.53
(2) Foreign										
(a)	Individuals (Non Resident Individuals/ Foreign Individuals)	0	0	0	0	0	0	0	0	0
(b)	Bodies Corporate	0	0	0	0	0	0	0	0	0
(c)	Institutions	0	0	0	0	0	0	0	0	0
(d)	Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
(e)	Any Other (specify)	0	0	0	0	0	0	0	0	0
	Sub-Total (A) (2)	0	0	0	0	0	0	0	0	0
	Total Shareholding of Promoter and Promoter Group (A)	2,63,82,319	0	2,63,82,319	73.28	2,65,74,914	0	2,65,74,914	73.82	0.53
(B) Public Shareholding										
(1) Institutions										
(a)	Mutual Funds/UTI	20,20,742	0	20,20,742	5.61	18,22,001	0	18,22,001	5.06	(0.55)
(b)	Financial Institutions/ Banks	84,029	0	84,029	0.23	37,478	0	37,478	0.10	(0.13)
(c)	Central Government/ State Government(s)	0	0	0	0	0	0	0	0	0
(d)	Venture Capital Funds	0	0	0	0	0	0	0	0	0
(e)	Insurance Companies	0	0	0	0	0	0	0	0	0
(f)	Foreign Institutional Investors	0	0	0	0	0	0	0	0	0
(g)	Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0
(h)	Qualified Foreign Investors	0	0	0	0	0	0	0	0	0
(i)	Foreign Portfolio Investors	4,21,829	0	4,21,829	1.17	4,58,271	0	4,58,271	1.27	0.10
(j)	Any Other :									
	Alternative Investment Fund	2,06,539	0	2,06,539	0.57	2,06,539	0	2,06,539	0.57	0.00
	Sub-Total (B) (1)	27,33,139	0	27,33,139	7.59	25,24,289	0	25,24,289	7.01	(0.58)

Sr. No.	Category of shareholder	No. of Shares held at the beginning of the year April 1, 2019				No. of Shares held at the end of the year March 31, 2020				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2)	Non-Institutions									
(a)	Bodies Corporate	21,54,005	0	21,54,005	5.98	23,31,302	0	23,31,302	6.48	0.49
(b)	Individuals/HUF -									
i.	Individual/HUF shareholders holding nominal share capital upto ₹ 1 lakh	29,82,875	0	29,82,875	8.29	26,90,164	0	26,90,164	7.47	(0.81)
ii.	Individual/HUF shareholders holding nominal share capital in excess of ₹ 1 lakh	14,34,627	0	14,34,627	3.99	14,96,106	0	14,96,106	4.15	0.17
(c)	Qualified Foreign Investors	0	0	0	0	0	0	0	0	0
(d)	Any Other									
	Trusts	2,144	0	2,144	0.01	43,039	0	43,039	0.12	0.11
	Clearing Members/ Clearing House	29,916	0	29,916	0.08	50,644	0	50,644	0.14	0.06
	Non Resident Indians	1,48,724	0	1,48,724	0.41	1,62,789	0	1,62,789	0.45	0.04
	Non Resident Indians- Non Repatriation	1,15,751	0	1,15,751	0.32	1,26,753	0	1,26,753	0.35	0.03
	Beneficial Holdings under MGT-4	16,500	0	16,500	0.05	0	0	0	0	(0.05)
	Sub-Total (B) (2)	68,84,542	0	68,84,542	19.12	69,00,797	0	69,00,797	19.17	0.05
	Total Public Shareholding (B) = (B)(1)+(B)(2)	96,17,681	0	96,17,681	26.72	94,25,086	0	94,25,086	26.18	(0.53)
	TOTAL (A)+(B)	3,60,00,000	0	3,60,00,000	100	3,60,00,000	0	3,60,00,000	100	-
(C)	Shares held by Custodians and against which Depository Receipts have been issued	0	0	0	0	0	0	0	0	0
	GRAND TOTAL (A)+(B)+(C)	3,60,00,000	0	3,60,00,000	100	3,60,00,000	0	3,60,00,000	100	-

(ii) Shareholding of Promoters/Promoter Group:

Sr. No.	Name of Shareholder	Shareholding at the beginning of the year April 1, 2019			Shareholding at the end of the year March 31, 2020			% change in shareholding during the year	Reason for Change
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares		
1.	Mr. Prahaladbhai S. Patel	1,47,21,919	40.89	-	1,83,90,914	51.09	-	10.19	Inter se transfer (Gift)
2.	Mrs. Shilpaben P. Patel	51,84,000	14.40	-	51,84,000	14.40	-	-	-
3.	Mr. Sagar P. Patel*	38,88,000	10.80	-	20,00,000	5.56	-	(5.24)	Inter se transfer (Gift)
4.	Ms. Pooja P. Patel*	25,88,400	7.19	-	10,00,000	2.78	-	(4.41)	Inter se transfer (Gift)
	Total	2,63,82,319	73.28	-	2,65,74,914	73.82	-	0.53	

* forms part of Promoter Group

(iii) Change in Promoters' Shareholding/ Promoter Group's Shareholding:

Sr. No.	Name of Shareholder	Shareholding at the beginning of the year April 1, 2019		Transaction Details			Cumulative Shareholding during the Year		
		No. of shares	% of Total shares of the company	Date	Increase / Decrease in shareholding	% of Total Shares of the Company	Reason	No. of Shares	% of Total Shares of the Company
1.	Mr. Prahaladbhai S. Patel	1,47,21,919	40.89		-	-	Opening Balance	1,47,21,919	40.89
				June 28, 2019	34,76,400	9.66	Inter se transfer (Gift)	1,81,98,319	50.55
				July 05, 2019	40,000	0.11	Purchase	1,82,38,319	50.66
				August 16, 2019	12,454	0.03	Purchase	1,82,50,773	50.69
				August 23, 2019	20,654	0.06	Purchase	1,82,71,427	50.75
				August 30, 2019	22,849	0.06	Purchase	1,82,94,276	50.81
				September 06, 2019	24,000	0.07	Purchase	1,83,18,276	50.88
				September 13, 2019	20,070	0.06	Purchase	1,83,38,346	50.94
				September 27, 2019	3,185	0.01	Purchase	1,83,41,531	50.95
				March 27, 2020	34,210	0.10	Purchase	1,83,75,741	51.05
March 31, 2020	15,173	0.04	Purchase	1,83,90,914	51.09				
				-	-	Closing Balance	1,83,90,914	51.09	
2.	Mrs. Shilpaben P. Patel	51,84,000	14.40				Opening Balance	51,84,000	14.40
				March 31, 2020	-	-	Closing Balance	51,84,000	14.40
3.	Mr. Sagar P. Patel	38,88,000	10.80				Opening Balance	38,88,000	10.80
				June 28, 2019	(18,88,000)	5.24	Inter se Transfer (Gift)	20,00,000	5.56
				March 31, 2020	-	-	Closing Balance	20,00,000	5.56
4.	Ms. Pooja P. Patel	25,88,400	7.19				Opening Balance	25,88,400	7.19
				June 28, 2019	(15,88,400)	4.41	Inter se Transfer (Gift)	10,00,000	2.78
				March 31, 2020	-	-	Closing Balance	10,00,000	2.78

(iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holder of GDRs and ADRs):

Sr. No.	Top Ten Shareholders	Shareholding at the beginning of the year April 1, 2019		Transaction Details			Cumulative Shareholding at end of the year March 31, 2020		
		No of Shares	% of total shares of the company	Date	Increase/ Decrease in share holding	% of total shares of the company	Reason	No. of Shares	% of total shares of the company
1.	Reliance Capital Trustee Co. Ltd-A/c Reliance Small	9,63,276	2.68		-	-	Opening Balance	9,63,276	2.68
				November 29, 2019	(6,699)	(0.02)	Sale	9,56,577	2.66
				December 06, 2019	(4,891)	(0.01)	Sale	9,51,686	2.64
				January 24, 2020	(22,166)	(0.06)	Sale	9,29,520	2.58
				January 31, 2020	(12,791)	(0.04)	Sale	9,16,729	2.55
				February 07, 2020	(7,344)	(0.02)	Sale	9,09,385	2.53
				February 14, 2020	(57,314)	(0.16)	Sale	8,52,071	2.37
				February 21, 2020	(59,450)	(0.17)	Sale	7,92,621	2.20
				February 28, 2020	(8,176)	(0.02)	Sale	7,84,445	2.18
				March 31, 2020	-	-	Closing Balance	7,84,445	2.18
2	IDFC Large Capital Fund	8,75,479	2.43		-	-	Opening Balance	8,75,479	2.43
				April 05, 2019	35,000	0.10	Purchase	9,10,479	2.53
				April 12, 2019	7,500	0.02	Purchase	9,17,979	2.55
				April 19, 2019	2,500	0.01	Purchase	9,20,479	2.56
				April 26, 2019	6,500	0.02	Purchase	9,26,979	2.57
				May 10, 2019	8,879	0.02	Purchase	9,35,858	2.60
				May 17, 2019	28,001	0.08	Purchase	9,63,859	2.68
				May 24, 2019	5,000	0.01	Purchase	9,68,859	2.69
				May 31, 2019	(4,700)	(0.01)	Sale	9,64,159	2.68
				June 07, 2019	(1,631)	0.00	Sale	9,62,528	2.67
				June 21, 2019	2,331	0.01	Purchase	9,64,859	2.68
				June 28, 2019	4,000	0.01	Purchase	9,68,859	2.69
				July 05, 2019	(12,382)	(0.03)	Sale	9,56,477	2.66
				July 12, 2019	(618)	0.00	Sale	9,55,859	2.66
				July 26, 2019	7,500	0.02	Purchase	9,63,359	2.68
				September 20, 2019	2,500	0.01	Purchase	9,65,859	2.68
				October 25, 2019	1,500	0.00	Purchase	9,67,359	2.69
				November 08, 2019	(1,077)	0.00	Sale	9,66,282	2.68
				November 15, 2019	(41,957)	(0.12)	Sale	9,24,325	2.57
				November 22, 2019	(19,206)	(0.05)	Sale	9,05,119	2.51
				November 29, 2019	(909)	0.00	Sale	9,04,210	2.51
				December 06, 2019	1,500	0.00	Purchase	9,05,710	2.52
				December 13, 2019	(13,819)	(0.04)	Sale	8,91,891	2.48
				December 20, 2019	(4,834)	(0.01)	Sale	8,87,057	2.46
				December 27, 2019	(820)	0.00	Sale	8,86,237	2.46
				January 17, 2020	(3,000)	(0.01)	Sale	8,83,237	2.45
				January 31, 2020	5,000	0.01	Purchase	8,88,237	2.47
				February 14, 2020	(6,880)	(0.02)	Sale	8,81,357	2.45
				February 28, 2020	6,386	0.02	Purchase	8,87,743	2.47
				March 06, 2020	10,000	0.03	Purchase	8,97,743	2.49
				March 13, 2020	9,000	0.03	Purchase	9,06,743	2.52
				March 27, 2020	(82,976)	(0.23)	Sale	8,23,767	2.29
				March 31, 2020	(15,024)	(0.04)	Sale	8,08,743	2.25
				March 31, 2020	-	-	Closing Balance	8,08,743	2.25

Sr. No.	Top Ten Shareholders	Shareholding at the beginning of the year April 1, 2019		Transaction Details				Cumulative Shareholding at end of the year March 31, 2020	
		No of Shares	% of total shares of the company	Date	Increase/ Decrease in share holding	% of total shares of the company	Reason	No. of Shares	% of total shares of the company
3	ICG Q Limited	3,73,875	1.04		-	-	Opening Balance	3,73,875	1.04
				March 31, 2020	-	-	Closing Balance	3,73,875	1.04
4	Perpetual Enterprises LLP	3,50,611	0.97		-	-	Opening Balance	3,50,611	0.97
				November 01, 2019	126	0.00	Purchase	3,50,737	0.97
				November 08, 2019	15,000	0.04	Purchase	3,65,737	1.02
				November 15, 2019	8,913	0.02	Purchase	3,74,650	1.04
				November 29, 2019	11,131	0.03	Purchase	3,85,781	1.07
				December 13, 2019	10,000	0.03	Purchase	3,95,781	1.10
				December 20, 2019	5,000	0.01	Purchase	4,00,781	1.11
				December 27, 2019	(42,090)	(0.12)	Sale	3,58,691	1.00
				March 31, 2020	-	-	Closing Balance	3,58,691	1.00
5	Aakarshan Tracom Private Limited	2,62,579	0.73		-	-	Opening Balance	2,62,579	0.73
				November 08, 2019	1,12,579	0.31	Sale	3,75,158	1.04
				November 08, 2019	(1,12,579)	(0.31)	Sale	2,62,579	0.73
				November 15, 2019	45,651	0.13	Purchase	3,08,230	0.86
				November 15, 2019	(30,000)	(0.08)	Sale	2,78,230	0.77
				November 22, 2019	14,942	0.04	Purchase	2,93,172	0.81
				January 31, 2020	50,000	0.14	Purchase	3,43,172	0.95
				January 31, 2020	(50,000)	(0.14)	Sale	2,93,172	0.81
				March 31, 2020	-	-	Closing Balance	2,93,172	0.81
6	Scotia Enterprises Private Limited	2,34,000	0.65				Opening Balance	2,34,000	0.65
				September 20, 2019	4,500	0.01	Purchase	2,38,500	0.66
				September 27, 2019	10,117	0.03	Purchase	2,48,617	0.69
				September 30, 2019	17,782	0.05	Purchase	2,66,399	0.74
				October 04, 2019	15,604	0.04	Purchase	2,82,003	0.78
				October 11, 2019	13,268	0.04	Purchase	2,95,271	0.82
				November 01, 2019	2,000	0.01	Purchase	2,97,271	0.83
				November 08, 2019	5,000	0.01	Purchase	3,02,271	0.84
				December 13, 2019	24,691	0.07	Purchase	3,26,962	0.91
				December 20, 2019	11,691	0.03	Purchase	3,38,653	0.94
				December 27, 2019	18,000	0.05	Purchase	3,56,653	0.99
				March 31, 2020	-	-	Closing Balance	3,56,653	0.99
7	Rowenta Networks Private Limited	2,15,282	0.60	March 31, 2019			Opening Balance	2,15,282	0.60
				April 12, 2019	2,350	0.01	Purchase	2,17,632	0.60
				October 18, 2019	(134)	0.00	Sale	2,17,498	0.60
				November 29, 2019	(3,700)	(0.01)	Sale	2,13,798	0.59
				March 31, 2020	-	-	Closing Balance	2,13,798	0.59
8	Nirmal Bhanwarlal Jain	2,00,000	0.56	March 31, 2019			Opening Balance	2,00,000	0.56
				March 31, 2020	-	-	Closing Balance	2,00,000	0.56

Sr. No.	Top Ten Shareholders	Shareholding at the beginning of the year April 1, 2019		Transaction Details			Cumulative Shareholding at end of the year March 31, 2020		
		No of Shares	% of total shares of the company	Date	Increase/ Decrease in share holding	% of total shares of the company	Reason	No. of Shares	% of total shares of the company
9	Reliance Equity Opportunities AIF Scheme 1	1,92,039	0.53	March 31, 2019	-	-	Opening Balance	1,92,039	0.53
				March 31, 2020	-	-	Closing Balance	1,92,039	0.53
10	Edelweiss Trusteeship Co Ltd Ac- Edelweiss MF AC-	1,65,087	0.46				Opening Balance	1,65,087	0.46
				June 07, 2019	25,000	0.07	Transfer	1,90,087	0.53
				June 14, 2019	3,590	0.01	Transfer	1,93,677	0.54
				June 21, 2019	12,958	0.04	Transfer	2,06,635	0.57
				June 28, 2019	13,429	0.04	Transfer	2,20,064	0.61
				August 16, 2019	2,849	0.01	Transfer	2,22,913	0.62
				August 23, 2019	5,900	0.02	Transfer	2,28,813	0.64
				March 31, 2020	-	-	Closing Balance	2,28,813	0.64

v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of the Directors/KMPs	Shareholding at the beginning of the year April 1, 2019		Transaction Details			Cumulative Shareholding at end of the year March 31, 2020		
		No of Shares	% of total shares of the company	Date	Increase/ Decrease in share holding	% of total shares of the company	Reason	No. of Shares	% of total shares of the company
Directors									
1.	Mr. Prahaladbhai S. Patel	1,47,21,919	40.89				Opening Balance	1,47,21,919	40.89
				June 28, 2019	34,76,400	9.66	Inter se transfer (Gift)	1,81,98,319	50.55
				July 05, 2019	40,000	0.11	Purchase	1,82,38,319	50.66
				August 16, 2019	12,454	0.03	Purchase	1,82,50,773	50.69
				August 23, 2019	20,654	0.06	Purchase	1,82,71,427	50.75
				August 30, 2019	22,849	0.06	Purchase	1,82,94,276	50.81
				September 06, 2019	24,000	0.07	Purchase	1,83,18,276	50.88
				September 13, 2019	20,070	0.06	Purchase	1,83,38,346	50.94
				September 27, 2019	3,185	0.01	Purchase	1,83,41,531	50.95
				March 27, 2020	34,210	0.10	Purchase	1,83,75,741	51.05
				March 31, 2020	15,173	0.04	Purchase	1,83,90,914	51.09
March 31, 2020	-	-	Closing Balance	1,83,90,914	51.09				
2.	Mrs. Shilpaben P. Patel	51,84,000	14.40				Opening Balance	51,84,000	14.40
				March 31, 2020	-	-	Closing Balance	51,84,000	14.40
3.	Ms. Pooja P. Patel	25,88,400	7.19				Opening Balance	25,88,400	7.19
				June 28, 2019	(15,88,400)	4.41	Inter se transfer (Gift)	10,00,000	2.78
				March 31, 2020	-	-	Closing Balance	10,00,000	2.78

Sr. No.	Name of the Directors/KMPs	Shareholding at the beginning of the year April 1, 2019		Transaction Details			Cumulative Shareholding at end of the year March 31, 2020		
		No of Shares	% of total shares of the company	Date	Increase/ Decrease in share holding	% of total shares of the company	Reason	No. of Shares	% of total shares of the company
4.	Mr. Sagar P. Patel	38,88,000	10.80				Opening Balance	38,88,000	10.80
				June 28, 2019	(18,88,000)	5.24	Inter se transfer (Gift)	20,00,000	5.56
				March 31, 2020	-	-	Closing Balance	20,00,000	5.56
5.	Mr. Sandeep H. Shah	0.00	0.00		-	-	Opening Balance	0.00	0.00
				March 31, 2020	-	-	Closing Balance	0.00	0.00
6.	Mr. Chirag N. Shah	0.00	0.00		-	-	Opening Balance	0.00	0.00
				March 31, 2020	-	-	Closing Balance	0.00	0.00
7.	Mr. Vasishtha P. Patel	0.00	0.00		-	-	Opening Balance	0.00	0.00
				March 31, 2020	-	-	Closing Balance	0.00	0.00
8.	Mrs. Zarana P. Patel	0.00	0.00		-	-	Opening Balance	0.00	0.00
				March 31, 2020	-	-	Closing Balance	0.00	0.00
Key Managerial Personnel									
1.	Mrs. Hetal Y. Patel	100	0.00		-	-	Opening Balance	100	0.00
				March 31, 2020	-	-	Closing Balance	100	0.00
2.	Ms. Mittali M. Christachary	300	0.00		-	-	Opening Balance	300	0.00
				March 31, 2020	-	-	Closing Balance	300	0.00

V. Indebtedness

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

(₹ in Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (April 1, 2019)				
i) Principal Amount	2,625.12	-	-	2,625.12
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	2,625.12	-	-	2,625.12
Change in Indebtedness during the financial year				
• Addition	5,762.08	-	-	5,762.08
• Reduction	(902.67)	-	-	(902.67)
Net Change	4,859.41	-	-	4,859.41
Indebtedness at the end of the financial year (March 31, 2020)				
i) Principal Amount	7,484.53	-	-	7,484.53
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	7,484.53	-	-	7,484.53

VI. Remuneration of Directors And Key Managerial Personnel**A. Remuneration to Managing Director, Whole-time Directors and /or Manager:**

(₹ in Lakhs)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
		Mr. Prahaladbhai S. Patel (Managing Director & CEO)	Mrs. Shilpaben P. Patel (Whole Time Director)	Ms. Pooja P. Patel (Executive Director)	Mr. Sagar P. Patel (Executive Director)*	
1.	Gross salary					
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	540.00	180.00	102.00	10.00	832.00
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under Section 17(3) of the Income tax Act, 1961	-	-	-	-	-
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission as % of profit	-	-	-	-	-
5.	Others, Allowances	-	-	-	-	-
	Total (A)	540.00	180.00	102.00	10.00	832.00
	Ceiling as per the Act (@ 10% of profits calculated under Section 198 of the Companies Act, 2013)					1835.31

* Mr. Sagar P. Patel was appointed as an Executive Director of the Company w.e.f. November 1, 2019.

B. Remuneration to other directors:

(₹ in Lakhs)

Sr. No.	Particulars of Remuneration	Sitting fees for attending board/ committee meeting	Commission	Others, please specify	Total Amount
1.	Independent Directors				
	Mr. Sandeep H. Shah	0.75	-	-	0.75
	Mr. Chirag N. Shah	0.75	-	-	0.75
	Mr. Vasishtha P. Patel	0.90	-	-	0.90
	Mrs. Zarana P. Patel	0.30	-	-	0.30
	Total (1):	2.70			2.70
2.	Other Non-Executive Directors				
	NA	-	-	-	-
	Total (2):	-	-	-	-
	Total B (1+2)				2.70
	Total Managerial Remuneration (A+B)				834.70
	Ceiling as per the Act (@ 1% of profits calculated under Section 198 of the Companies Act, 2013)				183.53

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

(₹ in Lakhs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		Mrs. Hetal Y. Patel (Chief Financial Officer)	Ms. Mittali M. Christachary (Company Secretary & Compliance officer)	Total Amount
1.	a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	25.23	6.72	31.95
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under Section 17(3) of the Income tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission as % of profit	-	-	-
5.	Others, Allowances	-	-	-
	Total	25.23	6.72	31.95

VII. Penalties / Punishment/ Compounding of offences

(₹ in Lakhs)

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/COURT]	Appeal made, if any (give Details)
A. COMPANY					
B. DIRECTORS					
C. OTHER OFFICERS IN DEFAULT					

For & on behalf of the Board of Directors

 Ahmedabad
August 05, 2020

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

Annexure C

Secretarial Audit Report for the Financial Year ended March 31, 2020 Form No. MR – 3

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

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

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

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2020 and made available to me, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder as applicable;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time;

- c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- d) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- (v) I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test-check basis, the Company has complied with the following laws applicable specifically to the Company namely:
 - (a) The Employee's Provident Fund & Miscellaneous Provisions Act, 1952
 - (b) The Employees' State Insurance Act, 1948
 - (c) The Maternity Benefit Act, 1961
 - (d) The Contract Labour (Regulation and Abolition) Act, 1970
 - (e) The Payment of Gratuity Act, 1972
 - (f) The Employee's Compensation Act, 1923 (earlier known as The Workmen's Compensation Act, 1923)
 - (g) The Payment of Bonus Act, 1965
 - (h) The Payment of Wages Act, 1936;
 - (i) The Minimum Wages Act, 1948;
 - (j) The Child Labour (Prohibition and Regulation) Act, 1986;
 - (k) The Equal Remuneration Act, 1976;
 - (l) The Industrial Employment (Standing Order) Act, 1946
 - (m) The Apprentices Act, 1961
 - (n) The Sexual Harassment of Women at Work place (Prevention, Prohibition and Redressal) Act, 2013;
 - (o) Environmental Health and Safety Laws and rules made there under consisting of:
 - Air (Prevention and Control of Pollution) Act, 1981;
 - Water (Prevention and Control of Pollution) Act, 1974;
 - The Environment (Protection) Act, 1986
 - (p) The Building and Other Construction Workers (Regulation of Employment and Conditions Of Service) Act, 1996;
 - (q) The Building and other Construction Workers' Welfare Cess Act, 1996.

- (vi) I have also examined compliance with the applicable clauses of the following:
- (a) Secretarial Standards issued by the Institute of Company Secretaries of India (SS -1 and SS - 2);
 - (b) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, pursuant to the Uniform Listing Agreement of the Company entered into with BSE Limited and National Stock Exchange of India Limited;

During the period under review, the Company has generally complied with the all material aspects of applicable provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

During the Period under review, provisions of the following Acts, Rules, Regulations, Guidelines, etc. were not applicable to the Company:

- i. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Securities and Exchange Board of India (Share based employee benefits) Regulations, 2014;
- ii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- iii. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- iv. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- v. The Securities and Exchange Board of India (Buyback of Securities) Regulations 2018; and
- vi. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and External Commercial Borrowings.

I further report that -

The Compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial auditor and other designated professionals.

I further report that -

Based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit, in my opinion, adequate systems and processes and control mechanism exist in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, standards and guidelines and general laws like various labour laws, environmental laws and such other laws as applicable to the company.

I further report that -

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

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

As per verification of the minutes of the Meetings duly recorded and signed by the chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

The Company has obtained all necessary approvals under the various provisions of the Act; and there was no prosecution initiated during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.

However, there was a delay in compliance pertaining to Regulation 3 (5) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 with regard to maintenance of structured digital database. Further, as per the examination of records and information made available to us, the company is in compliance with regard to maintenance of structured digital Database on the date of this report.

The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Conduct for Board of Directors and Senior Management;

I further report that during the period under review, approval of shareholders has been taken by passing the following resolutions through postal ballot dated November 26, 2019:

- Raising of funds through issue of equity shares/ depository receipts and/or any other instruments or securities representing either equity shares and/or convertible securities linked to equity shares including through Qualified Institutions Placement / American Depository Receipts / Global Depository Receipts/ preferential allotment or such other permissible mode or combinations thereof.
- Appointment of Mr. Sagar P. Patel as a Director of the Company.
- Appointment of Mr. Sagar P. Patel as an Executive Director of the Company.
- Appointment of Mrs. Zarana P. Patel as an Independent Director of the Company.

There were no other specific events/actions in pursuance of the above-referred laws, rules, regulations, guidelines etc. having a major bearing on the Company affairs.

Rohit S Dudhela

Practising Company Secretary
Membership No. : FCS 9808
C.O.P No. : 7396

August 5, 2020
Ahmedabad

Note: This Report is to be read with my letter of above date which is annexed as **Annexure A** and forms an integral part of this report.

Annexure A to the Secretarial Audit Report

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

My report of the above date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done based on the records and documents provided, on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices followed by me provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Rohit S Dudhela

Practising Company Secretary
Membership No. : FCS 9808
C.O.P No. : 7396

August 5, 2020
Ahmedabad

Annexure D

Annual Report on Corporate Social Responsibilities (CSR) Activities

1. A brief of the company's CSR policy, including overview of projects or programme proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:

The Company has framed the Corporate Social responsibility (CSR) policy to lay down the guiding principles for proper functioning of CSR activities to enable them to attain sustainable development and welfare of the society and in the communities in which we operate.

The Company's focus areas under CSR are as under:

- Promotion of Education and skill development;
- Promotion of health care,
- Ensuring environmental sustainability and animal welfare
- Rural Development Projects;
- Other areas approved by the CSR Committee within the ambit of CSR Rules as amended from time-to-time

The Company engages with credible NGOs, Charitable foundations and other institutions to channelize their resources in implementing the CSR initiatives of the company.

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

The brief overview of some of the CSR initiatives of the company is available on the website of the company at: (<https://www.pspprojects.com/community-engagement/>)

2. The composition of the CSR Committee:

As on March 31, 2020, the Composition of the CSR committee is as under:

Mrs. Shilpaben P. Patel	Chairperson
Prahaladbhai S. Patel	Member
Mr. Sandeep H. Shah	Member

3. Average net profit of the company for last three financial years:

₹ 10,210.82 Lakhs

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above):

₹ 204.22 Lakhs

5. Details of CSR spent during the financial year:

- (a) Total amount spent for the financial year : ₹ 219.24 Lakhs
- (b) Amount unspent, if any for the financial year : Nil

(c) Manner in which the amount spent during the financial year is detailed below

(₹ in Lakhs)

Sr. No.	CSR projects/ activities	Sector in which the Project is covered	Location where project is undertaken: State (Local area/District)	Amount outlay (budget) Project/ Programs wise	Amount spent on the projects or programs		Cumulative expenditure upto to the reporting period	Amount spent: Direct or through implementing agency
					Direct expenditure on projects or Programs	Overheads		
1.	Redevelopment Project of a village situated in Gujarat.	Rural development projects - Schedule VII (x)	Patan, Gujarat	200.00	186.99	3.86	190.85	Direct
2.	Preservation of environmental sustainability	ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water- Schedule VII(iv)	Ahmedabad, Gujarat	10.00	10.00	-	10.00	Through Implementing agency
3.	Grant of scholarship to meritorious students towards their education	Promoting education and enhancing vocational skills especially amongst children - Schedule VII (ii)	Ahmedabad, Gujarat	4.32	4.32	-	13.14	Through Implementing agency

Sr. No.	CSR projects/ activities	Sector in which the Project is covered	Location where project is undertaken: State (Local area/District)	Amount outlay (budget) Project/ Programs wise	Amount spent on the projects or programs		Cumulative expenditure upto to the reporting period	Amount spent: Direct or through implementing agency
					Direct expenditure on projects or Programs	Overheads		
4.	Financial assistance for education of underprivileged students	Promoting education and enhancing vocational skills especially amongst children - Schedule VII (ii)	Jamnagar, Gujarat	5.17	5.17		5.17	Direct
5.	Scholarship for Promotion of nationally recognised sports	Training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports- Schedule VII (vii)	Ahmedabad, Gujarat	3.90	3.90	-	9.52	Direct
6.	Providing Health care support at a medical health centre	Promoting health care including preventive health care -Schedule VII (i)	Ahmedabad, Gujarat	5.00	5.00	-	21.00	Through Implementing agency
Total				215.38	3.86	-	-	
Total of Direct expenditure and overheads				219.24				

6. In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board's Report.

Not Applicable

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

The CSR Committee of the company confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of your Company.

Shilpaben P. Patel

(DIN: 02261534)

Chairperson of CSR Committee

Prahaladbhai S. Patel

(DIN: 00037633)

Chairman & Managing Director

Ahmedabad

August 5, 2020

Annexure E

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: Nil

All contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 are at arm's length basis.

2. Details of material contracts or arrangement or transactions at arm's length basis: None

During the reporting period, there was no material* contract or arrangement.

Sr. No	Particulars	Details
a.	Name(s) of the related party and nature of relationship:	
b.	Nature of contracts / arrangements / transactions:	
c.	Duration of the contracts / arrangements / transactions:	
d.	Salient terms of the contracts or arrangements or transactions including the value, if any:	NA
e.	Date(s) of approval by the Board, if any:	
f.	Amount paid as advances, if any:	
g.	Date on which the special resolution was passed in general meeting (if any)	

Note: * All related party transactions are in the Ordinary Course of business and at arm's length, approved by Audit Committee and reviewed by Statutory Auditors.

The above disclosures on material related party transactions are based on threshold of 10% of consolidated turnover and considering wholly owned subsidiaries are exempt for the purpose of Section 188(1) of the Act.

For & on behalf of the Board of Directors,

Prahaladbhai S. Patel

Chairman & Managing Director
(DIN: 00037633)

Ahmedabad
August 5, 2020

Annexure F

Particulars of Employees as on March 31, 2020

The information required under Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are given below:

Part A

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

Sr. No	Name	Remuneration of Director / KMP in the financial year (₹ in Lakhs)	Ratio of remuneration of each director to the median remuneration of employees	% increase in remuneration in the financial year
i.	Mr. Prahaladbhai S. Patel (Chairman & Managing Director)	540.00	196.50	No increase
ii.	Mrs. Shilpaben P. Patel [#] (Whole Time Director)	180.00	65.50	No increase
iii.	Ms. Pooja P. Patel (Executive Director)	102.00	37.12	No increase
iv.	Mr. Sagar P. Patel (Executive Director)*	10.00	3.64	-
v.	Mrs. Zarana P. Patel** (Independent Director)*	0.30	0.11	-
vi.	Mr. Sandeep H. Shah** (Independent Director)	0.75	0.27	-
vii.	Mr. Vasishtha P. Patel** (Independent Director)	0.90	0.33	-
viii.	Mr. Chirag N. Shah** (Independent Director)	0.75	0.27	-
ix.	Mrs. Hetal Y. Patel (Chief Financial Officer)	25.23	-	16.91
x.	Ms. Mittali M. Christachary (Company Secretary)	6.72	-	25.84

* Mr. Sagar Patel was appointed as an Executive Director of the company w.e.f November 01, 2019 and Mrs. Zarana Patel was appointed as the Independent Director w.e.f. October 22, 2019.

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

[#] Mrs. Shilpaben P. Patel has resigned from the directorship of the company w.e.f. August 05, 2020.

- b. **The percentage increase in the median remuneration of employees in the financial year:**

Particulars	2019-20	2018-19	Increase %
Median remuneration of employees per annum	2.75	2.56	7.42%

- c. The number of permanent employees on the rolls of Company as on March 31, 2020: **1447**

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

The percentage increase in the salaries of employees other than managerial personnel in the financial year 2019-20 was 6.88%, whereas there was no average percentage increase in the managerial remuneration in the financial year 19-20 as compared to previous year. The average increase in the salaries of employees are based on their performance and is in line with the industry practice.

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

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

Part B

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

Sr. No	Name	Designation & nature of Employment	Remuneration paid (per annum in lakhs)	Qualifications & Experience	Date of commencement of employment	Age	Previous Employment	% of Equity shares held in the company (if any) as on March 31, 2020	Relation with Director or Manager if any
1.	Mr. Prahalad bhai S. Patel	Chairman, Managing Director & CEO	540.00	B.E (Civil)	26/08/2008	57	-	51.09%	Spouse of Mrs. Shilpaben P. Patel and Father of Ms. Pooja P. Patel and Mr. Sagar P. Patel
2.	Mrs. Shilpaben P. Patel	Whole Time Director	180.00	B.com	26/08/2008	53	-	14.40%	Spouse of Mr. Prahaladbhai S. Patel and Mother of Ms. Pooja P. Patel and Mr. Sagar P. Patel
3.	Ms. Pooja P. Patel	Executive Director	102.00	B.E (Civil)	24/04/2015	27	-	2.78%	Daughter of Mr. Prahaladbhai S. Patel and Mrs. Shilpaben P. Patel and Sister of Mr. Sagar P. Patel

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

For & on behalf of the Board of Directors,

Prahaladbhai S. Patel

Chairman & Managing Director
(DIN: 00037633)

Ahmedabad
August 5, 2020

Annexure G

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

(A) Conservation of energy:

(i) The steps taken or impact on conservation of energy	The Company is taking appropriate steps to conserve and use alternate source of energy through installation of solar panels on roof of its registered office at Ahmedabad, Gujarat. Moreover, it reduces consumption of energy by usage and upgradation to energy saving devices such as LED lights, LED floor lights at its office premises and all its sites
(ii) The steps taken by the Company for utilizing alternate source of energy	
(iii) The Capital investment on energy conservation equipment	More details are included in the Business Responsibility Report which forms part of this Annual Report.

(B) Technology Absorption:

(i) The effort made towards technology absorption	The company is proactive in investing and using the latest and best technology, software and equipments available in the market which proves beneficial for quality building construction.
(ii) The benefits derived like product improvement cost reduction, product development or import substitution	Additionally, during the year under review, the company migrated to SAP HANA Database which provides faster access to data on real time basis which is a significant competitive advantage.
(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)	
(a) The details of technology imported	
(b) The year of import Whether the technology has been absorbed	
(c) Whether the technology has been absorbed	
(d) If not fully absorbed, areas whether absorption has not taken place, and the reasons thereof	
(iv) The expenditure incurred on Research and Development	NIL

(C) Foreign Exchange Earning and Outgo:

Foreign exchange earned in terms of actual inflows during the financial year 2019-20 was ₹ 181.94 Lakhs.

Foreign exchange outgo in terms of actual outflows during the financial year 2019-20 was ₹ 828.65 Lakhs.

For & on behalf of the Board of Directors,

Ahmedabad
August 5, 2020

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

Corporate Governance Report

1. Company's Philosophy on Corporate Governance

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

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

The Company is in compliance with all the requirements of the Corporate Governance as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Executive and Non-Executive Directors in conformity with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 149 of the Companies Act, 2013.

As on March 31, 2020, the Board comprises of 8 (Eight) Directors, which include 4 (Four) Non-Executive Independent Directors and 4 (Four) Executive Directors including 2 (Two) Executive Women Directors and 1(One) Non-Executive Woman Director. The Managing Director, Chief Executive Officer, and Chairman is an Executive director in the company.

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

2. Board of Directors

a. Composition

Your company has balanced and diverse board of directors ('the Board') with optimum combination of

b. Board Meetings

The Board met 6 (Six) times during the financial year ended on March 31, 2020 and the maximum gap between two Board Meetings was less than one hundred twenty days.

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

Sr. No	Date of Board Meeting	Total Strength of Board	No. of Directors Present
1.	May 27, 2019	6	5
2.	August 9, 2019	6	6
3.	September 18, 2019	6	5
4.	October 22, 2019	6	6
5.	February 7, 2020	8	8
6.	March 14, 2020	8	8

c. The composition of the Board, Directorships/Membership of Committee of other Companies as on March 31, 2020, no. of meetings held and attended during the financial year are as under:

Sr. No	Name of Directors	Category of Directorship	No. of Board meetings eligible to attend as a Director	No. of Board Meetings attended	Attendance at Last AGM held on September 18, 2019	No. of Directorships**		Committee membership held in other Companies***		Sitting Fees Paid for attending board/committee meetings (₹ in Lakhs)	No. of Equity shares held as on March 31, 2020
						Chairman	Member	Chairman	Member		
1.	Mr. Prahaladbhai S. Patel* Chairman, Managing Director & CEO (DIN:00037633)	Promoter & Executive Director	6	6	Yes	0	0	0	0	Nil	1,83,90,914

Sr. No	Name of Directors	Category of Directorship	No. of Board meetings eligible to attend as a Director	No. of Board Meetings attended	Attendance at Last AGM held on September 18, 2019	No. of Directorships**		Committee membership held in other Companies***		Sitting Fees Paid for attending board/committee meetings (₹ in Lakhs)	No. of Equity shares held as on March 31, 2020
						Chairman	Member	Chairman	Member		
2.	Mrs. Shilpaben P. Patel* WholeTime Director### (DIN: 02261534)	Promoter & Executive Director	6	6	Yes	0	0	0	0	Nil	51,84,000
3.	Ms. Pooja P. Patel* (DIN: 07168083)	Promoter Group Member & Executive Director	6	6	Yes	0	0	0	0	Nil	10,00,000
4.	Mr. Sagar P. Patel* (DIN: 07168126)†	Promoter Group Member & Executive Director	2	2	N.A.	0	0	0	0	Nil	20,00,000
5.	Mr. Chirag N. Shah (DIN: 02583300)	Non-Executive -Independent Director	6	5	Yes	0	0	0	0	0.75	Nil
6.	Mr. Sandeep H. Shah (DIN: 00807162)	Non-Executive -Independent Director	6	5	Yes	0	0	0	0	0.75	Nil
7.	Mr. Vasishtha P. Patel (DIN: 00808127)	Non-Executive -Independent Director	6	6	Yes	0	0	0	0	0.90	Nil
8.	Mrs. Zarana P. Patel## (DIN: 08580937)	Non-Executive -Independent Director	2	2	N.A.	0	0	0	0	0.30	Nil

Notes:

* Mr. Prahaladhai S. Patel is husband of Mrs. Shilpaben P. Patel and father of Ms. Pooja P. Patel and Mr. Sagar P. Patel and are thus related.

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

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

† Mr. Sagar P. Patel was appointed as an additional director w.e.f. October 22, 2019 and as an executive director of the company w.e.f. November 1, 2019.

Mrs. Zarana P. Patel was appointed as a non-executive Independent Director of the company w.e.f. October 22, 2019.

Mrs. Shilpaben P. Patel has resigned from the directorship of the company w.e.f. August 05, 2020 due to personal reasons.

d. Independent Directors

All the four Independent Directors of your company have confirmed that they meet the criteria as stipulated under Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 149(6) of the Companies Act, 2013 through the declaration under regulation 25(8) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

e. Separate meeting of Independent directors:

During the year under review, in compliance with the requirements of Regulation 25(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule IV of the Companies Act, 2013, one separate meeting of the Independent Directors was held on February 07, 2020. The said meeting was led by Mr. Sandeep H. Shah and all four independent directors were present personally for the meeting.

The independent directors, inter-alia, discussed the following matters

1. Review the performance of Non-Independent Directors for the financial year 2019-20;
2. Review the performance of the Board as a whole for the financial year 2019-20;
3. Review the performance of the Chairperson of the Company for the financial year 2019-20;
4. Assessment the quality, quantity and functions of flow of information between the Company management and the Board.

f. Details of familiarisation programmes imparted to Independent Directors

The Company has conducted Familiarisation Programmes for all the Independent Directors as per the requirement under regulation 25 and 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to enable them to familiarise with the Company's procedure and practices, business performance and business strategy of the company from time to time.

The detailed familiarization programme for Independent Directors is available on the website of the Company at: (<https://www.pspprojects.com/wp-content/uploads/2017/10/Policy-on-Familiarisation-Programme-19-20-1.pdf>)

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

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

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

1. Finance/ Accounting knowledge
2. Knowledge in Construction Industry
3. Experience in Construction Industry
4. Information Technology
5. Risk/ strategic Management
6. Strategic planning
7. Integrity and Ethical standards
8. Understanding of Government Legislation
9. Corporate Governance
10. Operations/ Administration

In the table below, the specific areas of focus or expertise of individual board members have been highlighted. However, the absence against director's name does not necessarily mean that a director does not possess the corresponding skill or qualification.

Area of Skill/ expertise/ competence	Directors							
	Mr. Prahaladbhai S. Patel	Mrs. Shilpaben P. Patel	Ms. Pooja P. Patel	Mr. Sagar P. Patel	Mr. Chirag N. Shah	Mr. Sandeep H. Shah	Mr. Vasishtha P. Patel	Mrs. Zarana P. Patel
Finance/ Accounting knowledge	√	√	√	√	√	√	√	√
Knowledge in Construction Industry	√		√	√				
Experience in Construction Industry	√		√	√				
Information Technology	√	√	√	√	√	√	√	√
Risk/ strategic Management	√	√	√	√	√	√	√	√
Strategic planning	√		√	√	√	√	√	
Integrity and Ethical standards	√	√	√	√	√	√	√	√

Area of Skill/ expertise/ competence	Directors							
	Mr. Prahaladbhai S. Patel	Mrs. Shilpaben P. Patel	Ms. Pooja P. Patel	Mr. Sagar P. Patel	Mr. Chirag N. Shah	Mr. Sandeep H. Shah	Mr. Vasishtha P. Patel	Mrs. Zarana P. Patel
Understanding of Government Legislation	√	√	√	√	√	√	√	√
Corporate Governance	√	√	√	√	√	√	√	√
Operations/ Administration	√	√	√	√	√	√	√	√

h. Based on the disclosure of independence received from all the Independent directors of your company and also in opinion of the board, all the independent directors fulfill the conditions as specified under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management of your company.

3. Committees of the Board

Your board has constituted various Committees with specific terms of reference in line with various provisions of the Companies Act, 2013 read with Rules framed thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Your company as on March 31, 2020 has following 5(five) committees of the board:

- Audit committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility Committee
- Fund Raising Committee

The board has also constituted a Risk management committee as on the date of this report.

a. Audit Committee

The Company has an independent Audit Committee, constitution of which is in compliance with provisions of Section 177 of the Companies Act, 2013 read with rules framed thereunder and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The committee was reconstituted during the period under review by the board in its meeting held on February 07, 2020 and as on March 31, 2020 the audit committee comprises of four Directors which includes three Non-Executive Independent directors and one Executive Director and all the members are financially literate.

Composition, Meetings and Attendance:

The Audit Committee met 4 (Four) times during the Financial Year 2019-20 on May 27, 2019, August 9, 2019, October 22, 2019 and February 7, 2020. The time gap between two meetings is not more than 120 days.

The present composition of the Audit Committee of the Board along with the details of the meetings held and attended during the financial year 2019-20 are detailed below:

Sr. No.	Name	Designation in the committee	Category of Director	No. of meetings held	No. of meetings attended
1.	Mr. Vasishtha P. Patel	Chairman	Non-Executive - Independent Director	4	4
2.	Mr. Sandeep H. Shah	Member	Non-Executive - Independent Director	4	4
3.	Mr. Prahaladbhai S. Patel	Member	Executive Director	4	4
4.	Mrs. Zarana P. Patel*	Member	Non-Executive - Independent Director	N.A.	N.A.

*Appointed as a Member of the Committee in the board meeting held on February 7, 2020.

The Company Secretary of the company acts as Secretary of the Audit Committee.

Meetings of the Audit Committee are also attended by Chief Financial Officer, Internal Auditor and the Joint Statutory Auditors of the Company.

The Chairman of the Audit Committee, Mr. Vasishtha P. Patel was present at the 11th Annual General Meeting of the Company held on September 18, 2019.

Terms of Reference:

The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") read with Schedule II Part C, which includes the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - b) changes, if any in accounting policies and practices and reasons for the same;
 - c) major accounting entries involving estimates based on the exercise of judgment by management;
 - d) significant adjustments made in the financial statements arising out of audit findings;
 - e) compliance with listing and other legal requirements relating to financial statements;
 - f) disclosure of any related party transactions;
 - g) modified opinion(s) in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
7. approval or any subsequent modification of transactions of the company's with related parties ;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the whistle blower mechanism;
19. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the audit committee, and
21. reviewing the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this SEBI (Listing Obligations and Disclosure Requirements) Amendment Regulations, 2018.

The audit committee of your company mandatorily reviews the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the audit committee), submitted by management;

3. Management letters/ letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the internal auditors are also subject to review by the audit committee.
6. Statement of deviations:
 - a. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the Listing Regulations.
 - b. Annual statement of funds utilized for purposes other than those stated in the offer document/

prospectus/notice in terms of Regulation 32(7) of the Listing Regulations.

The Audit Committee also receives the report on compliance under the Code of Conduct for Prohibition of Insider Trading Regulations, 2015.

b. Nomination and Remuneration Committee

Your company has an independent and qualified Nomination and Remuneration Committee as per the requirements of Section 178 of the Companies Act, 2013 read with Rules framed thereunder and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The committee comprises of three Directors and all of them are Non-Executive Independent directors.

Composition, Meeting and Attendance:

The Nomination and Remuneration Committee met 2 (Two) times during the Financial Year 2019-20 on August 9, 2019 and October 22, 2019.

The present composition of the Nomination and Remuneration Committee of the Board along with the details of the meetings held and attended during the financial year 2019-20 are detailed below:

Sr. No.	Name	Designation in the committee	Category of Director	No. of meetings held	No. of meetings attended
1.	Mr. Chirag N. Shah	Chairman	Non-Executive - Independent Director	2	2
2.	Mr. Vasishtha P. Patel	Member	Non-Executive - Independent Director	2	2
3.	Mr. Sandeep H. Shah	Member	Non-Executive - Independent Director	2	2

The Company Secretary of the company acts as the Secretary of the Committee.

The Chairman of the Nomination and Remuneration Committee, Mr. Chirag N. Shah was present at the 11th Annual General Meeting of the Company held on September 18, 2019.

Terms of Reference:

The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 (4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule II Part C thereunder. The terms of reference of the Nomination and Remuneration Committee were amended during the year under review in line with the requirements of SEBI (Listing Obligations and Disclosure Requirements) (Amendment), Regulations, 2018, which inter alia, includes the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of performance of independent directors and the board of directors;

3. Devising a policy on diversity of board of directors;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
5. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors; and
6. Recommend to the board, all remuneration, in whatever form, payable to senior management.

Performance evaluation criteria for independent directors:

The Nomination and Remuneration Committee of your company have formulated the criteria for assessment of the performance of the Board of directors, its committees and individual directors including Independent Directors.

The said criteria include certain parameters such as attendance, effective participation, commitment, maintaining confidentiality, domain knowledge, expertise, acting in good faith and so on, which are considered by the board while evaluating the performance of each Director. Additionally, the Independent directors are separately evaluated on parameters such as whether they are independent from the company and other directors and whether there is any conflict of interest and whether they exercise his/ her own judgement and voices opinion freely and also their adherence to the code of conduct.

The performance evaluation of Independent Directors is carried out by the entire board of directors excluding the Director whose performance is being evaluated.

Nomination and Remuneration Policy:

The Nomination and Remuneration Policy of the Company has been devised in accordance with Section 178(3) and (4) of the Companies Act, 2013. Remuneration of Directors, Key Managerial Personnel and Senior Management comprised of fixed pay reflecting short and long term performance objectives appropriate to the working of the Company.

The Nomination and Remuneration Policy of the Company is available on website of the company at (<https://www.pspprojects.com/wp-content/uploads/2017/10/Policy-of-Nomination-and-Remuneration-22nd-October-19.pdf>)

Remuneration of Directors:

• Executive Directors

Details of Remuneration paid to Executive Directors of the company for the financial year 2019-20 are as under:

(₹ in Lakhs)

Sr. No.	Name of Director	Designation	Salary	Perquisites, Allowances & other Benefits	Commission	Total
1	Mr. Prahaladbhai S. Patel	Chairman, Managing Director & CEO	540.00	-	-	540.00
2	Mrs. Shilpaben P. Patel	Whole-Time Director	180.00	-	-	180.00
3	Ms. Pooja P. Patel	Executive Director	102.00	-	-	102.00
4	Mr. Sagar P. Patel*	Executive Director	10.00	-	-	10.00

*Mr. Sagar P. Patel was appointed as an Executive Director of the company w.e.f. November 01, 2019.

• Non-Executive Directors

The Sitting fees paid to the Non-Executive Independent Directors for the financial year 2019-20 are as under:

(₹ in Lakhs)

Sr. No.	Name of Director	Designation	Sitting fees paid
1	Mr. Chirag N. Shah	Non-Executive Independent Director	0.75
2	Mr. Vasishtha P. Patel	Non-Executive Independent Director	0.90
3	Mr. Sandeep H. Shah	Non-Executive Independent Director	0.75
4	Mrs. Zarana P. Patel*	Non-Executive Independent Director	0.30

*Mrs. Zarana P. Patel was appointed as a Non-Executive Independent Director of the company w.e.f. October 22, 2019.

Other than sitting fees to the non-executive directors for attending board/committee Meetings, there were no pecuniary relationships or transactions of company with any of the non-executive directors.

• Criteria for making payment to Non-Executive Directors

The criteria for making payment to Non-Executive Directors is available on the website of the company at (<https://www.pspprojects.com/wp-content/uploads/2017/10/Criteria-for-making-payment-to-Non-Executive-Directors.pdf>)

None of the Directors of the company have received any performance linked incentives or any stock options in the financial year 2019-20.

c. Stakeholders Relationship Committee

Your Company has constituted a Stakeholders Relationship Committee in compliance with provisions of section 178 of the Companies Act, 2013 read with Rules framed thereunder and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

Composition, Meeting and Attendance:

The Stakeholder Relationship Committee met 1 (One) time during the Financial Year 2019-20 on August 9, 2019.

The composition of the Stakeholder Relationship Committee of the Board along with the details of the meetings held and attended during the financial year 2019-20 are detailed below:

Sr. No.	Name	Designation in the committee	Category of Directors	No. of meetings held	No. of meetings attended
1.	Mr. Chirag N. Shah	Chairman	Non-Executive -Independent Director	1	1
2.	Mr. Prahaladbhai S. Patel	Member	Executive Director	1	1
3.	Ms. Pooja P. Patel	Member	Executive Director	1	1

The stakeholder Relationship Committee has been reconstituted by the board in its meeting held on June 9, 2020

The Company Secretary of the company acts as the Secretary of the Committee.

The Chairman of the Stakeholders Relationship Committee, Mr. Chirag N. Shah was present at the 11th Annual General Meeting of the Company held on September 18, 2019.

Terms of Reference:

The scope and function of the Stakeholders Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The terms of reference of the Stakeholders Relationship Committee inter alia, includes the following

1. Resolving the grievances of the security holders of the company including complaints related to

transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;

2. Review of measures taken for effective exercise of voting rights by shareholders;
3. Review of adherence to the service standards adopted by the company in respect of various services being rendered by the Registrar & Share Transfer Agent; and
4. Review of the various measures and initiatives taken by the company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

Status of Investor Complaints / Grievances received/disposed during the year:

Sr. No	Complaints	Pending as on April 1, 2019	Received during the year	Disposed of during the year	Unresolved as on March 31, 2020
1	Status of applications lodged for Public issue(s)	0	0	0	0
2	Non receipt of Refund Order	0	0	0	0
3	Non receipt of dividend warrant	0	0	0	0
4	Non receipt of Annual Report	0	0	0	0

Name, Designation and address of the Compliance officer

Ms. Mittali Christachary
Company Secretary
'PSP House', Opp. Celesta Courtyard,
Opp. Lane of Vikramnagar Colony,
Iscon-Ambli Road, Ahmedabad – 380058
Phone : 079-26936200 / 9512044644
Email: grievance@pspprojects.com
Website – www.pspprojects.com

d. Corporate Social Responsibility Committee

Your Company has constituted a Corporate Social Responsibility (CSR) Committee, in compliance with the provision of section 135 of the Companies Act, 2013 read with Rules framed thereunder.

Composition, Meeting and Attendance:

The Corporate Social Responsibility Committee met 4 (Four) times during the Financial Year 2019-20 on May 27, 2019, August 9, 2019, October 22, 2019 and February 07, 2020.

The composition of the Corporate Social Responsibility Committee of the Board along with the details of the meetings held and attended during the financial year 2019-20 are detailed below:

Sr. No.	Name	Designation in the committee	Category of Directors	No. of meetings held	No. of meetings attended
1.	Mrs. Shilpaben P. Patel*	Chairperson	Executive Director	4	4
2.	Mr. Prahaladbhai S. Patel	Member	Executive Director	4	4
3.	Mr. Sandeep H. Shah	Member	Non-Executive- Independent Director	4	4

*Mrs. Shilpaben Patel resigned from the directorship of the company w.e.f August 5, 2020 and the CSR Committee has been reconstituted by the board in its meeting held on August 05, 2020 in the following manner:

Mr. Sandeep H. Shah	Chairman
Mr. Prahaladbhai S. Patel	Member
Ms. Pooja P. Patel	Member

The Company Secretary of the company acts as the Secretary of the Committee.

Terms of Reference:

1. Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by our Company in accordance with the provisions of the Companies Act, 2013;
2. Review and recommend the amount of expenditure to be incurred on activities to be undertaken by our Company;
3. Monitor the CSR policy of our Company and its implementation from time to time; and
4. Any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board from time to time.

e. Fund raising Committee

The Fund raising committee was constituted on October 22, 2019 for the purpose of the proposed fund raising activities of the Company.

The composition of the fund raising Committee is as under:

Sr. No.	Name	Designation in the committee	Category of directors
1.	Mr. Vasishtha P. Patel	Chairman	Non-Executive - Independent Director
2.	Mr. Chirag N. Shah	Member	Non-Executive - Independent Director
3.	Mr. Prahaladbhai S. Patel	Member	Executive Director
4.	Ms. Pooja P. Patel	Member	Executive Director

Risk Management Committee

Your company has constituted a Risk Management Committee, in compliance with the provision of regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 in the Board Meeting held on August 05, 2020.

Composition:

The present composition of the Risk Management Committee of the Board is detailed below:

Sr. No.	Name	Designation in the committee	Category of directors
1.	Mr. Prahaladbhai S. Patel	Chairman	Executive Director
2.	Mr. Sagar P. Patel,	Member	Executive Director
3.	Mrs. Zarana P. Patel	Member	Non-Executive - Independent Director
4.	Mr. Chirag N. Shah	Member	Non-Executive - Independent Director

The Company Secretary of the company acts as the Secretary of the Committee.

Terms of Reference:

1. To formulate, monitor, review and amend the risk management plan/Policy of the Company inter alia covering management of foreign exchange exposure, cyber security, financial and other internal and external business risks.
2. To assist the board in identifying and assessment of risks inherent in the business operations of the company, minimization procedures and strategies and policies for risk mitigation on short term as well as long term basis.
3. To ensure that the Company is taking appropriate measures to achieve prudent balance between risk and reward in both ongoing and new business activities of the company, if any.
4. To perform such other functions as may be delegated by the board of directors of the company.

4. Shareholders:**a. General Body Meetings**

- i. Particulars of the last three Annual General Meetings of the company are as follows:

Financial year	Date & Day	Venue	Special resolutions passed
2018-19	Wednesday, September 18, 2019 11:00 A.M	H.T Parekh Convention Centre, Ahmedabad Management Association (AMA) Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad-380015	<ol style="list-style-type: none"> 1. Approval for remuneration payable to Mr. Prahaladbhai S. Patel (DIN: 00037633), Chairman, Managing Director and CEO, Promoter of the Company 2. Approval for remuneration payable to Mrs. Shilpaben P. Patel (DIN: 02261534), WholeTime Director, Promoter of the Company 3. Approval for remuneration payable to Ms. Pooja P. Patel (DIN: 07168083), Executive Director, Member of Promoter Group of the Company 4. Re-appointment of Mr. Prahaladbhai S. Patel (DIN: 00037633), as the Chairman, Managing Director and CEO of the company 5. Re-appointment of Mr. Vasishtha P. Patel (DIN: 00808127), as a Non-Executive Independent Director of the company 6. Re-appointment of Mr. Sandeep H. Shah (DIN: 00807162), as a Non-Executive Independent Director of the company 7. Re-appointment of Mr. Chirag N. Shah (DIN: 02583300), as a Non-Executive Independent Director of the company 8. Approval of conversion of loan into equity
2017-18	Thursday, September 27, 2018 11.00 A.M	H.T Parekh Convention Centre, Ahmedabad Management Association (AMA) Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad-380015	<ol style="list-style-type: none"> 1. Loan to Subsidiary u/s 185 of the Companies Act, 2013
2016-17	Wednesday, September 27, 2017 11.00 A.M	H.T Parekh Convention Centre, Ahmedabad Management Association (AMA) Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad-380015	<ol style="list-style-type: none"> 1. Approval of Contract/ Arrangement with Director for consideration other than cash

ii. Extra Ordinary General Meeting:

During the period under review, no Extra Ordinary General Meeting was held.

b. Postal Ballot:

During the period under review, the Company completed process of one postal ballot as per provisions of Section 110 of the Companies Act, 2013. Mr. Rohit S. Dudhela, Practicing Company Secretaries, Ahmedabad (M.No.: FCS- 9808, COP No.: 7396) was appointed as Scrutinizer for conducting the postal ballot in a fair and transparent manner. The voting was conducted through physical mode as well as electronic mode. The Company had engaged the services of KFin Technologies Private Limited (Formerly known as Karvy Fintech Private Limited) to provide e-voting facility to its Members.

The following Resolutions were deemed to have been passed on the last date of e-voting and receipt of Postal Ballot forms i.e. on Monday, November 25, 2019. The voting results along with the Scrutinizer's Report were displayed on the website of the Company viz. www.pspprojects.com and as that of our Registrar and Transfer Agent viz KFin Technologies Private Limited (Formerly known as Karvy Fintech Private Limited) viz. www.evoting.karvy.com and that of the Stock exchanges viz BSE Limited (www.bseindia.com) and National Stock Exchange of India Limited (www.nseindia.com) All four Resolutions were approved with requisite majority. The details of results of Postal Ballot are as under:

Sr. No.	Particulars	No of Votes received	No and % of votes in favour	No. and % of votes against
1.	Raising of funds through issue of equity shares/ depository receipts and/or any other financial instruments or securities representing either equity shares and/or convertible securities linked to equity shares including through Further public offer/Right issue/Qualified Institutions Placement / Debt issue/ American Depository Receipts /Global Depository Receipts / preferential issue or such other permissible mode or combinations thereof. (Special Resolution)	2,79,04,139	2,79,04,088 (100%)	51 (0.00%)
2.	Appointment of Mr. Sagar Prahladbhai Patel as a Director of the Company (Ordinary Resolution)	2,79,04,123	2,69,40,819 (96.55%)	9,63,304 (3.45%)
3.	Appointment of Mr. Sagar Prahladbhai Patel as an Executive Director of the Company (Ordinary Resolution)	2,79,04,105	2,90,02,415 (80.56%)	9,63,634 (3.45%)
4.	Appointment of Mrs. Zarana Pratik Patel as an Independent Director of the Company (Ordinary Resolution)	2,79,04,123	2,79,03,722 (100%)	401 (0.00%)

c. Means of communication:

Your Company's website www.pspprojects.com consists of Investors section, which provides comprehensive information to the Shareholders.

The quarterly and yearly financial results of the Company in compliance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 which are submitted to the Stock Exchanges on timely manner and are also published in 'Financial Express' both in English and regional Language (Gujarati). The same are also available on the website of the company. i.e. www.pspprojects.com

All corporate announcements, submissions made to stock exchanges including presentations made to institutional

investors or to the analysts and transcripts of Con-call are submitted to the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) and are also uploaded on the website of the company. i.e. www.pspprojects.com

The Company's Annual Report which inter-alia includes, the Directors' Report, Management's Discussion and Analysis Report, Business Responsibility report, Corporate Governance Report and Audited Financial Statements (Standalone & Consolidated) for the financial year 2019-20 has been e-mailed to all the Shareholders of the Company and also made available on the website of the company. i.e. www.pspprojects.com

d. General Shareholders Information

Sr. No	Salient Items of Interest	Particulars
1.	Annual General Meeting	12 th
	Day & Date	Friday, September 18, 2020
	Time	11:00 A.M.
	Venue	The Company is conducting meeting through Video Conferencing / Other Audio Visual Means pursuant to the MCA Circular dated May 5, 2020 and hence there is no requirement to have a venue for the AGM. For details please refer to the Notice of this AGM.
2.	Financial Year	Financial Year of company is from April 1, 2019 to March 31, 2020.
3.	Dividend Payment Date	Your company has declared and paid an interim Dividend of ₹ 5.00 per share on equity shares of face value of ₹ 10/- at the board meeting of the company held on Saturday, March 14, 2020. The dividend has been paid to all Shareholders whose names appear in the Register of Members as on the Record Date. i.e. Saturday, March 21, 2020. The interim dividend is to be confirmed as Final Dividend for the financial year ended March 31, 2020.
4.	Listing on Stock Exchange & Payment of Listing Fees	BSE Limited 1st Floor, P.J. Towers, Dalal Street, Fort, Mumbai- 400001 National Stock Exchange of India Limited Exchange Plaza, 05th Floor, Plot No.1/G Block, Bandra-Kurla Complex, Bandra (E)- Mumbai- 400051 The company has paid Annual Listing fees with both Exchanges for the F.Y 2020-21.
5.	Stock Code	BSE: 540544 NSE: PSPPROJECT

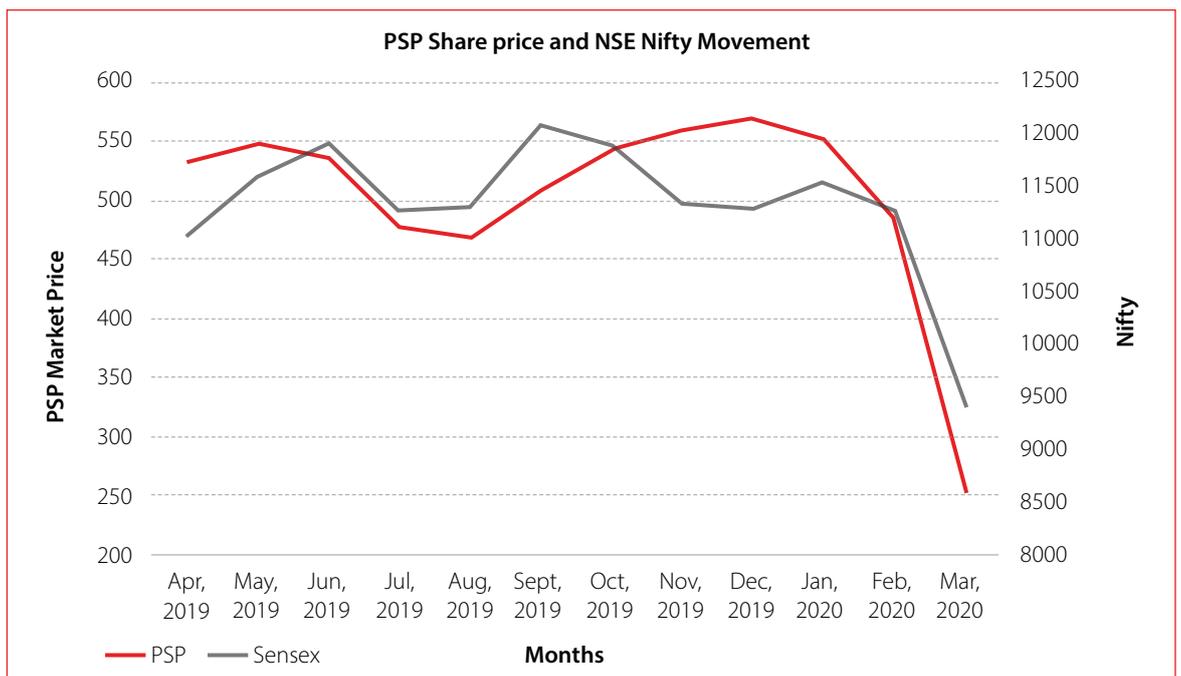
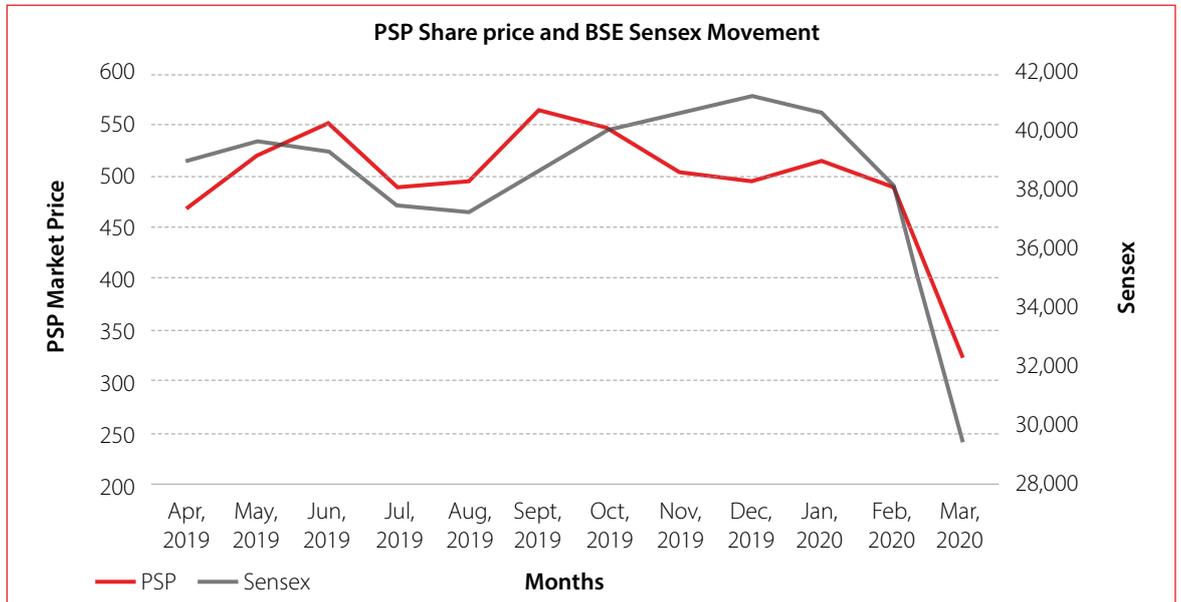
6. Market Price Data

Monthly high and low prices along with the closing price of the Company's shares at BSE and NSE for the financial year ended March 31, 2020 are as below:

Months	PSP on BSE (in ₹)			PSP on NSE (in ₹)		
	High	Low	Closing	High	Low	Closing
April, 2019	498.25	458.00	469.15	490.00	459.90	469.65
May, 2019	525.50	433.00	520.80	539.90	430.15	521.30
June, 2019	617.00	511.05	550.20	567.00	500.40	549.25
July, 2019	558.10	463.00	489.20	560.00	466.15	489.95
August, 2019	527.70	463.40	494.95	529.90	464.00	495.55
September, 2019	576.90	485.00	564.50	576.85	484.95	564.75
October, 2019	576.00	513.00	546.10	571.90	524.25	547.05
November, 2019	560.00	490.90	501.75	554.35	490.00	498.40
December, 2019	533.95	469.65	495.75	533.55	468.00	493.15
January, 2020	557.90	490.50	514.85	560.00	492.10	515.50
February, 2020	535.00	468.00	490.40	539.95	467.50	492.15
March, 2020	502.10	233.80	321.70	505.15	232.00	325.05

7. Stock Performance in comparison to broad based indices

The charts below show the comparison of the monthly closing price of the Company movement on BSE and NSE vis-à-vis the movement of the monthly closing price of the BSE Sensex & NSE Nifty for the financial year ended March 31, 2020.



8. Registrar and Transfer Agent

Name of Registrar and Transfer Agent	KFin Technologies Private Limited (Formerly known as Karvy Fintech Private Limited)
Address	"Selenium Tower B", Plot No. 31 & 32, Financial District, Nanakramguda, Gachibowli, Hyderabad – 500032 Telangana
Tel. No.:	040-67162222
E-mail id:	suresh.d@kfintech.com / einward.ris@kfintech.com

9. Share Transfer System

Trading in the equity shares of the company can be done through recognized stock exchanges only in dematerialized form. As on March 31, 2020, all equity shares of the company were in demat form.

Transfers of equity shares in electronic form are effected through the depositories with no involvement of the company. For transfer of physical shares, power to approve share transfer and other related requests has been delegated to Stakeholders' Relationship Committee of the company and such requests, if any are resolved or dealt within stipulated time period.

10. Distribution of shareholding:

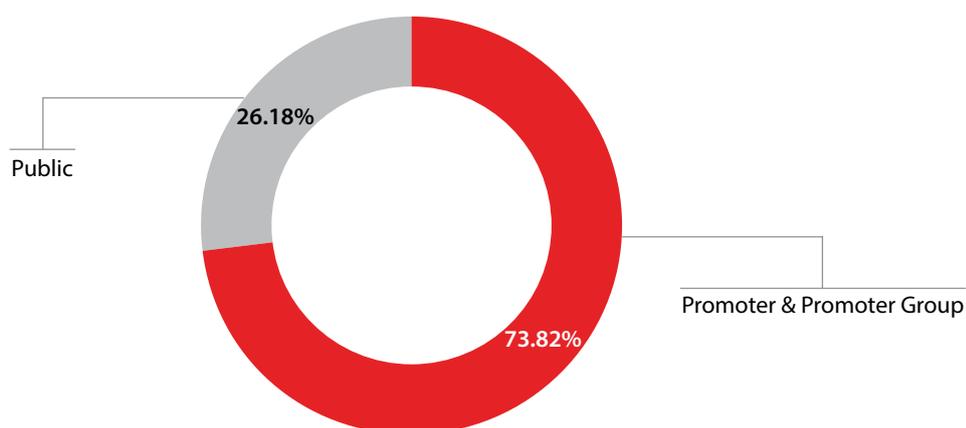
The distribution of shareholding of the Company as on March 31, 2020 is as follows:

Distribution of Shareholding:

Sr. No.	Category	No. of Shareholders	Total Shareholders (%)	Amount	Total Amount (%)
1	1 - 5000	11,792	89.74	1,00,11,040.00	2.78
2	5001 - 10000	587	4.47	44,05,170.00	1.22
3	10001 - 20000	385	2.93	55,60,440.00	1.54
4	20001 - 30000	114	0.87	28,46,460.00	0.79
5	30001 - 40000	66	0.50	23,12,910.00	0.64
6	40001 - 50000	36	0.27	16,27,680.00	0.45
7	50001 - 100000	72	0.55	51,01,840.00	1.42
8	100001 and above	88	0.67	32,81,34,460.00	91.15
	Total	13,140	100.00	36,00,00,000.00	100.00

Category-wise Shareholding:

Sr. No.	Category	No. of Equity Shares	% of Total no of Shareholding
1	Promoters and Promoter Group		
	Indian Individuals	2,65,74,914	73.82
	Total (1)	2,65,74,914	73.82
2	Public Shareholding:		
	Mutual Funds	18,22,001	5.06
	Foreign Portfolio Investors	4,58,271	1.27
	Financial Institutions/Banks	37,478	0.1
	Alternative Investment Fund	2,06,539	0.57
	Indian Individuals	40,31,325	11.2
	NBFCs Registered with RBI	17,000	0.05
	Trusts	43,039	0.12
	Non Resident Indians	1,62,789	0.45
	Non Resident Indians Non Repatriable	1,26,753	0.35
	Clearing Members	50,644	0.14
	Bodies Corporates	23,14,302	6.43
	HUF	1,54,945	0.43
	Total (2)	94,25,086	26.18
	Total (1+2)	3,60,00,000	100



11. Dematerialisation of Shares

Equity shares of the company can be traded in dematerialized form only. The company has established connectivity with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) through its Registrar & Share Transfer Agent. The ISIN allotted in respect of equity shares of ₹ 10/- each of the Company by **NSDL/CDSL is INE488V01015**.

Break up of shares in physical and demat form as on March 31, 2020 is as under:

Sr. No.	Particulars	No. of Equity Shares	% of Equity Shares
1.	Demat		
	NSDL	2,66,61,224	74.06
	CDSL	93,38,776	25.94
2.	Physical	0.00	0.00
	Total	3,60,00,000	100

12. Reconciliation of Share Capital Audit:

In compliance with 76 of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time, a qualified Practising Company Secretary carries out Reconciliation of Share Capital Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges. The Audit confirms that the total listed and paid-up capital is in agreement with the aggregate of the total number of shares in dematerialised form and in physical form, if any.

13. The company does not have any GDRs/ADRs/Warrants or any Convertible Instruments other than Equity Shares.

14. Commodity price risk or foreign exchange risk and hedging: Not Applicable

15. Plant Locations: The Company does not have any manufacturing plant.

16. Address for correspondence:

Mittali Christachary
Company Secretary & Compliance Officer
PSP Projects Limited
'PSP House', Opp. Celesta Courtyard,
Opp. Lane of Vikramnagar Colony,
Iscon-Ambli Road, Ahmedabad – 380058
Phone : 079-26936200 / 9512044644
Email: grievance@pspprojects.com
Website – www.pspprojects.com

KFin Technologies Private Limited
(Formerly known as Karvy Fintech Private Limited)
"Selenium Tower B", Plot No. 31 & 32, Financial District,
Nanakramguda, Gachibowli, Hyderabad – 500032
Tel: 040- 67162222
Email: suresh.d@kfintech.com/einward.ris@kfintech.com
Website: www.kfintech.com

17. Credit Ratings:

Your company has received credit ratings from CARE Rating Limited, a reputed Credit Rating Agency for its Long term and Short term Bank Facilities and during the Financial Year 2019-20, Credit Rating Agency has reaffirmed the existing Credit Rating of CARE A+; Stable (Single A Plus; Outlook: Stable).

Details of related party information and transactions are placed before the Audit Committee on a quarterly basis. The details of Related Party Transactions are disclosed in financial statements which forms part of this Annual Report.

Your Company has formulated a policy on dealing with related party transactions and is available on its website of the company at (<https://www.pspprojects.com/wp-content/uploads/2017/10/Policy-on-Related-Party-Transactions-April-2019.pdf>).

5. Other Disclosures

(a) Disclosure on materially significant related party transactions

During the Financial Year 2019-20, there was no materially significant related party transaction undertaken by your company under Section 188 of the Companies Act, 2013 read with rules framed thereunder and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which may have potential conflict with the interest of the Company.

Your Company has entered into transactions with related parties as defined under Section 2(76) of the Companies Act, 2013, which were in the ordinary course of business and at arms' length basis and the same were duly approved by the Audit Committee.

(b) Statutory Compliance, Penalties and Strictures:

Your Company has complied with all the requirements of the Stock Exchanges/the Regulations and guidelines of SEBI and other Statutory Authorities on all matters relating to capital markets since its listing on the Stock Exchanges. There has been no instance of non-compliance by the Company and no penalties or strictures have been imposed by SEBI, Stock Exchanges or any statutory authorities on matters relating to capital markets since its listing on the Stock Exchanges except one observation made by Practising Company Secretary in its Secretarial Compliance Report for the year ended March 31, 2020.

(c) Whistle Blower Mechanism:

Your Company has established a vigil mechanism through a Whistle Blower Policy for directors and employees in compliance with provision of the section 177 of the companies Act, 2013 read with Rule framed thereunder and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct. The mechanism provides for adequate safeguards against victimisation of director(s)/employee(s) who express their concerns and also provides for direct access to the Chairman of the Audit Committee in exceptional cases. No personnel of the company was denied access to the Audit Committee and there were no instances of any such access.

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

(d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements

Your company has complied with all the mandatory requirements as specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and simultaneously the non-mandatory requirements as specified in Part E of Schedule II are adopted by the company up to the following extent:

- As the quarterly and half yearly financial performance along with significant events are published in newspapers and are also available on the Company's website, the same are not being sent personally to the shareholders.
- The Company's financial statements of financial year 2019-20 does not contain any modified audit opinion.
- Manubhai & Shah LLP, Chartered Accountants, internal auditor of the company reports directly to the audit committee of the board.

(e) Policy on Material Subsidiaries

Your company does not have any material subsidiary, however the company has formulated a policy for determining a material subsidiary and the same is available on the website of the company at: (<https://www.pspprojects.com/wp-content/uploads/2017/10/Policy-on-Material-Subsidiary-April-2019.pdf>)

(f) Policy on Related Party Transactions

Your Company has formulated a policy on dealing with related party transactions and is available on its website of the company at (<https://www.pspprojects.com/wp-content/uploads/2017/10/Policy-on-Related-Party-Transactions-April-2019.pdf>).

(g) Disclosure of commodity price risks and commodity hedging activities

Your Company is engaged in the business of Construction of buildings. Thus, Disclosure with respect to commodity price risks and commodity hedging activities are not applicable to the Company.

(h) Code for Prevention of Insider Trading

Your Company has instituted a code on prevention of insider trading in compliance with the SEBI (Prohibition of Insider Trading) Regulations. The Code of Practices and Procedures for Fair Disclosure of UPSI is available on the website of the company at (<https://www.pspprojects.com/wp-content/uploads/2017/10/Code-of-Fair-Disclosure-April-2019.pdf>).

(i) Code of Conduct for Directors and Senior Management

Your Company has laid down a Code of Conduct for all Board members and the Senior Management of the Company and the same is available on the website of the company at (<https://www.pspprojects.com/wp-content/uploads/2017/10/Code-of-Conduct-for-Board-and-Senior-Management-9.6.2020.pdf>).

The code of conduct was circulated to all the members of the Board and senior management personnel and they have affirmed their compliance with the said code of conduct for the financial year ended March 31, 2020. A declaration to this effect signed by the Chairman & Managing Director is annexed herewith this report.

(j) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)

Your Company has not raised any funds through preferential allotment or qualified institutions placement. Thus, disclosure with respect to utilization of such funds during the financial year is not applicable to the Company.

(k) Certificate regarding disqualifications for continuing as Director

All the directors of your company have intimated in Form DIR- 8 pursuant to Section 164(2) and rule 14(a) of Companies (Appointment and Qualification of Director) Rules, 2014 that none of the directors on the board of the company have been debarred or disqualified from continuing as directors of the company at the beginning of the financial year.

A certificate from a company secretary in practice regarding the same is annexed herewith this report.

(l) Details of non-acceptance of recommendation of any committee by the board

During the period under review, the board has accepted all the recommendations of the committee, which were mandatorily required. Provided that it is only

applicable where recommendation of / submission by the committee is required for the approval of the Board of Directors and shall not apply where prior approval of the relevant committee is required for undertaking any transaction under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(m) Details of fees paid to statutory auditor by company and its subsidiaries

During the year under review, the total fees for all the services paid by your company and its subsidiaries, on consolidated basis to the statutory auditor's amounts to ₹ 16.15 Lakhs (Rupees Sixteen Lakhs Fifteen Thousand Only). The said information also forms part of the Notes to the Financial Statements. The Company has not availed any services from the network firm/network entity of which the Statutory Auditors is a part.

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

Your company provides a healthy working environment to every employee of the company. In line with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 (hereinafter referred as "the said Act") and Rules made there under, your company has in place a Policy on Sexual harassment (Prevention, Prohibition & Redressal) at Work Place and constituted Sexual Harassment Policy for the purpose of implement the provisions of the policy as well as the Act.

During the financial year 2019-20, your company has not received any complaints on sexual harassment nor there were any complaints required to be disposed of and hence no complaints remain pending as of March 31, 2020.

(o) Details of Compliance with Corporate Governance Requirements

Item	Regulation No.	Compliance Status (Yes/No/NA)
Independent director(s) have been appointed in terms of specified criteria of 'independence' and/or eligibility	16(1)(b) , 25(6)	Yes
Board composition	17(1),17(1A), 17(1B)	Yes
Meeting of Board of Directors	17(2)	Yes
Quorum of Board Meeting	17(2A)	Yes
Review of Compliance Reports	17(3)	Yes
Plans for orderly succession for appointments	17(4)	Yes
Code of Conduct	17(5)	Yes
Fees/compensation	17(6)	Yes
Minimum Information	17(7)	Yes
Compliance Certificate	17(8)	Yes
Risk Assessment & Management	17(9)	Yes
Performance Evaluation of Independent Directors	17(10)	Yes
Recommendation of Board	17(11)	Yes
Maximum number of Directorship	17A	Yes
Composition of Audit Committee	18(1)	Yes
Meeting of Audit Committee	18(2)	Yes
Composition of Nomination & Remuneration Committee	19(1) & (2)	Yes
Quorum of nomination & remuneration committee	19(2A)	Yes
Meeting of nomination & remuneration committee	19(3A)	Yes
Composition of Stakeholders' Relationship Committee	20(1), 20(2), 20(2A)	Yes
Meeting of Stakeholder Relationship Committee	20(3A)	Yes
Composition and role of Risk Management Committee	21(1),(2),(3),(4)	NA
Meeting of risk management committee	21(3A)	NA
Vigil Mechanism	22	Yes
Policy for related party transaction	23(1),(1A),(5),(6),(7) & (8)	Yes
Prior or Omnibus approval of Audit Committee for all related party Transactions	23(2), (3)	Yes

Item	Regulation No.	Compliance Status (Yes/No/NA)
Approval for material related party transactions	23(4)	NA
Disclosure of Related Party Transactions on Consolidated basis	23(9)	Yes
Composition of Board of Directors of unlisted material subsidiary	24(1)	NA
Other Corporate Governance requirements with respect to subsidiary of listed entity	24(2),(3),(4),(5) & (6)	Yes
Annual Secretarial Compliance Report	24(A)	Yes
Alternate Director to Independent Director	25(1)	NA
Maximum Tenure	25(2)	Yes
Meeting of Independent Directors	25(3) & (4)	Yes
Familiarization of Independent Directors	25(7)	Yes
Declaration from independent directors	25(8) & (9)	Yes
D & O Insurance for independent directors	25(10)	NA
Memberships in Committees	26(1)	Yes
Affirmation with compliance to code of conduct from members of Board of Directors and senior management personnel	26(3)	Yes
Disclosure of Shareholding by Non-Executive Directors	26(4)	Yes
Policy with respect to Obligations of Directors and senior management personnel	26(2) & 26(5)	Yes
Any other information to be provided	None of the subsidiary incorporated in India is a material non-listed subsidiary. Hence the Corporate Governance Requirements as per Regulation 24(1), 24(5) and 24(6) is Not Applicable to the company.	

(p) Disclosures with respect to demat suspense account/ unclaimed suspense account

Your company does not have any share in the demat suspense account or unclaimed suspense account.

For & on behalf of the Board of Directors

Ahmedabad
August 5, 2020

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

Certificate under Regulation 17(8) Of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors
PSP Projects Limited

Sub: CEO/CFO certification

We, Prahaladbhai S. Patel, Chief Executive Officer and Managing Director and Hetal Patel, Chief Financial Officer of PSP Projects Limited ('the Company'), hereby certify that:

- (a) We have reviewed financial statements and the cash flow statement (Standalone & Consolidated) for the year ended March 31, 2020 and that to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- (b) That there are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate of the Company's code of conduct;
- (c) That we accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies;
- (d) We have indicated to the Auditors and the Audit Committee:
 - (i) any significant changes in internal control over financial reporting during the year;
 - (ii) any significant changes in accounting policies during the year; and
 - (iii) any instances of significant fraud, of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Prahaladbhai S. Patel
Chief Executive Officer and Managing Director
(DIN: 00037633)

Hetal Patel
Chief Financial Officer

Ahmedabad
June 09, 2020

Declaration Regarding Affirmation of Code of Conduct

I hereby confirm that the Company has obtained affirmations regarding compliance with the Code of Conduct for Board of Directors and Senior Management for the Financial Year 2019-20 from all the members of the Board and senior management of the company.

Ahmedabad
August 5, 2020

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

Auditor's Certificate on Corporate Governance

To,
The Members of
PSP Projects Limited,

I have examined the compliance of conditions of Corporate Governance by PSP Projects Limited ('the Company'), for the year ended on March 31, 2020, as stipulated in the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

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

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations.

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

Rohit S Dudhela

Practicing Company Secretaries
Membership No. FCS 9808
COP: 7396

Ahmedabad
August 5, 2020

Certificate of Non-Disqualification of Directors

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

To,
The Members of
PSP Projects Limited,

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of PSP Projects Limited having CIN: L45201GJ2008PLC054868 and having registered office at "PSP House", opp. Celesta Courtyard, Opp. Lane of Vikramnagar Colony, Iscon-Ambli Road, Ahmedabad-380058 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that as on March 31, 2020, none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

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

Rohit S Dudhela

Practicing Company Secretaries
Membership No. FCS 9808
COP: 7396

Ahmedabad
August 5, 2020

Business Responsibility Report

Preamble:

Regulation 34(2)(f) of the Securities and Exchange Board of India ('SEBI') (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') read with SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2019 prescribes that the annual report of top one thousand (1000) companies based on market capitalization (calculated as on March 31 of every financial year) as per BSE/NSE shall contain a Business Responsibility Report describing the initiatives taken by them from an environmental, social and governance perspective, in the format as specified by SEBI from time to time.

PSP Projects Limited being one of the top 1000/500 companies based on the market capitalization of BSE Limited and National Stock Exchange of India Limited respectively as on March 31, 2020, this report has been prepared in accordance with the said Listing Regulations and in the format as specified by SEBI.

Section A: General Information about the Company

- Corporate Identity Number (CIN) of the Company: **L45201GJ2008PLC054868**
- Name of the Company : **PSP Projects Limited**
- Registered address: **"PSP House", Opp. Celesta Courtyard, Opp. lane of Vikram Nagar Colony, Iscon-Ambli Road Ahmedabad GJ 380058**
- Website: **www.pspprojects.com**
- E-mail id: **grievance@pspprojects.com**
- Financial Year reported: **April 01, 2019 to March 31, 2020**
- Sector(s) that the Company is engaged in (industrial activity code-wise): **Construction of Buildings (Division 41)**

Group	Class	Sub Class	Description
410	4100	41001	Construction of buildings carried out on own-account basis or on a fee or contract basis
410	4100	41002	Activities relating to alteration, addition, repair, maintenance carried out on own-account basis or on a fee or contract basis
410	4100	41003	Assembly and erection of prefabricated constructions on the site

- List three key products/services that the Company manufactures/provides (as in balance sheet)**
 - Construction of Buildings

- Total number of locations where business activity is undertaken by the Company**

- Number of International Locations (Provide details of major 5): Nil (on standalone basis)
- Number of National Locations: 05

The breakup of the five locations where business activity of the company is being undertaken is as under:

Sr. no.	Name of the states
1.	Gujarat
2.	Maharashtra
3.	Karnataka
4.	Rajasthan
5.	Uttar Pradesh

- Markets served by the Company** – Local/State/National/International

Section B: Financial Details of the Company (on Standalone basis)

- Paid up Capital (INR)** : 3,600 Lakhs
- Total Turnover (INR)**: 1,49,925.77 Lakhs
- Total profit after taxes (INR)**: 12,926.03 Lakhs
- Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)**: The Company's total expenditure on CSR activities for the year ended March 31, 2020 is ₹ 219.24 Lakhs, which is 2.15% of average net profit of last three years computed as per the provision of the Companies Act, 2013.
- List of activities in which expenditure in 4 above has been incurred:**

In Financial year ended March 31, 2020, CSR expenditure was incurred for the following activities:

- Rural Re-Development Project
- Promoting Education
- Promoting sports
- Promoting Health and Preventive Care
- Promoting Environmental sustainability

Section C: Other Details**1. Does the Company have any Subsidiary Company/ Companies?**

Yes, the company has one foreign subsidiary (PSP Projects INC) and one Indian Subsidiary (PSP Projects & Proactive Constructions Private Limited).

2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s):

BR initiatives of the parent company are applicable to the subsidiary companies to the extent that they are material in relation to the business operations of the subsidiaries.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]:

No other entities are mandated to participate in the BR initiative of the company.

2. Principle-wise (as per NVGs) BR Policy/policies

Ministry of Corporate Affairs has revised the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business, 2011 (NVGs) and formulated the National Guidelines on Responsible Business Conduct (NGRBC). It has specified nine areas of business responsibility/business conduct as follows:

P1	Businesses should conduct and govern themselves with integrity in a manner that is Ethical, Transparent and Accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains.
P4	Businesses should respect the interests of and be responsive to all their stakeholders.
P5	Businesses should respect and promote human rights.
P6	Businesses should respect and make efforts to protect and restore the environment.
P7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.
P8	Businesses should promote inclusive growth and equitable development.
P9	Businesses should engage with and provide value to their consumers in a responsible manner.

(a) Details of compliance (Reply in Y/N)

No. Questions	Business Ethics, Transparency and Accountability	Product Life Responsibility	Employee Well-being	Stakeholder Engagement	Human Rights	Environmental Protection	Public Policy	Inclusive Growth and equitable development	Customer Value
No. Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1. Do you have a policy/ policies for...	Y	Y	Y	Y	Y	Y	N	Y	N
2. Has the policy being formulated in Consultation with the relevant stakeholders? (Refer note 1)	Y	Y	Y	Y	Y	Y	NA	Y	NA
3. Does the policy conform to any national / international standards? If yes, specify? (50 words) (Refer note 2)	Y	Y	Y	Y	Y	Y	NA	Y	NA

Section D: BR Information**1. Details of Director/Directors responsible for BR****(a) Details of the Director/Directors responsible for implementation of the BR policy/policies**

- DIN Number : 00037633
- Name : Mr. Prahaladbhai S. Patel
- Designation: Chairman, Managing Director and CEO

(b) Details of the BR head

No.	Particulars	Details
1	DIN Number (if applicable)	00037633
2	Name	Mr. Prahaladbhai S. Patel
3	Designation	Chairman, Managing Director and CEO
4	Telephone number	079-26936200
5	e-mail id	grievance@pspprojects.com

No. Questions	Business Ethics, Transparency and Accountability	Product Life Responsibility	Employee Well-being	Stakeholder Engagement	Human Rights	Environmental Protection	Public Policy	Inclusive Growth and equitable development	Customer Value
	P1	P2	P3	P4	P5	P6	P7	P8	P9
4. Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	NA	Y	NA
5. Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	NA	Y	NA
6. Indicate the link for the policy to be viewed online?	https://www.pspprojects.com/policies-code-conduct/						NA		NA
	https://www.pspprojects.com/corporate-policies/								
7. Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	NA	Y	NA
8. Does the company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	NA	Y	NA
9. Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	NA	Y	NA
10. Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency? (Refer note 3)	Y	Y	Y	Y	Y	Y	NA	Y	NA

Note:

1. The policies have been communicated to relevant key stakeholders.
2. The policies confirms to the provisions of the Companies Act, 2013. In addition, relevant policies are also in conformity with international standards such as ISO 14001, ISO 45001: 2018, Sustainability Development Goals (SDGs) and its related targets.
3. While the Company has not carried out independent audit of the policies, the board evaluates the working of certain policies. The implementation of the HR Policies and practices, is overseen by Manager- Human Resources.

Principle wise Policies:

P1	Business Ethics, Transparency and Accountability	The company has adopted a Code of Conduct for Board of Directors and senior management, Whistle blower policy, Policy on Related Party Transactions, Code of Practices and Procedures for Fair Disclosure of Unpublished price sensitive information(UPSI). Also, there is a Report on Corporate Governance which forms part of the Annual report.
P2	Product Life Responsibility	The company has in place a quality policy, environment health and safety policy. It has also formulated Corporate Social Responsibility policy.
P3	Wellbeing of employees	The company has HR policies and practices, Policy on Sexual Harassment (Prevention, Prohibition & Redressal) at workplace. In addition, it has also adopted a Nomination and Remuneration Policy and Whistle blower policy.
P4	Stakeholders Engagement	The company has adopted the Corporate Social responsibility policy and Dividend Distribution Policy.
P5	Human rights	The company has Whistle blower policy and Policy on Sexual Harassment (Prevention, Prohibition & Redressal) at workplace. Further, it complies with applicable regulations.
P6	Environmental Protection	The company has an environment health and safety policy. Further it complies with applicable environmental regulations and also participates in CSR initiatives promoting environmental sustainability.
P7	Public Policy	There is no specific policy, however the company is a member of many industry associations such as Gujarat Contractors Association, Confederation of Indian Industry, Confederation of Real Estate Developers' Associations of India etc.
P8	Inclusive growth and equitable development.	The company has adopted the Corporate Social Responsibility Policy and Policy on Sexual Harassment (Prevention, Prohibition & Redressal) at workplace. Also the Annual report on Corporate Social Responsibility forms part of the Board of Director's report.
P9	Customers Value	Not Applicable

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The company has not understood the Principles	-	-	-	-	-	-	-	-	-
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-	-	-	-	-	-	-
3.	The company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
4.	It is planned to be done within next 6 months	-	-	-	-	-	-	-	-	-
5.	It is planned to be done within the next 1 year	-	-	-	-	-	-	-	-	-
6.	Any other reason (please specify)	-	-	-	-	-	-	-	Refer note 1	Refer note 2

Notes:

- The company does not have a specific policy for public advocacy. The company is a member of industry associations such as Confederation of Indian Industry, Confederation of Real Estate Developers' Associations of India, Gujarat Contractors Association.
- The company does not have a separate policy for customer value, however we are a customer driven company, committed to achieve excellence in execution and delivery, duly reflected in our core values, vision and mission.

3. Governance related to BR

- (a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year**

The BR performance of the company shall be assessed annually.

- (b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

This is the first Business responsibility report of the company and it shall publish the said report as a part of its Annual report annually and the same can be assessed at: www.pspprojects.com

Section E: Principle-Wise Performance

Principle 1: Businesses should conduct and govern themselves with integrity in a manner that is Ethical, Transparent and Accountable

- 1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs / Others?**

Yes, the company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour.

The Company has adopted a Code of Conduct for Board of Directors and Senior Management to enhance the ethical

standards and transparent process in managing the affairs of the company. The members of the Board of Directors and Senior Management Personnel of the Company are required to annually affirm compliance of this code. Additionally, it has also adopted whistle blower policy for its directors and employees to freely communicate their genuine concerns about unethical practices, fraud or violation of the code of conduct if any. Further, the company also has a code of conduct to Regulate, Monitor and Report Trading by Designated Persons and immediate relatives of Designated Persons and Code of Practices and Procedures for Fair Disclosure of Unpublished price sensitive information (UPSI) to ensure compliance with the requirements prescribed under Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time. The Code is applicable to those employees of the company, its subsidiaries and joint ventures, who may be deemed to have access to unpublished price sensitive information.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

No stakeholder complaints were received in the past financial year. The status of investor complaints received and resolved during the financial year are disclosed in the Corporate Governance report which forms part of this Annual report.

Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

Management and Execution of Residential, Commercial, Industrial, Institutional buildings and infrastructure projects.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):

(a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

During the construction lifecycle, we incorporate and encourage various practices which helps to optimize the Carbon Footprints, including but not limited to:

- Procure the major construction materials locally to avoid fuel wastage
- The illumination in our site infrastructure are totally LED and we encourage clients also to follow the same for the project.
- Usage of AAC block (Green Build Certified) instead of the Clay Bricks.
- Most of our projects have Solar Rooftop which generates energy.

There are many such practices and products which includes Sewage Treatment plant (STP), Water Treatment Plant (WTP), Rain water harvesting, Glass façade, Gypsum plaster instead of the Cement Plaster we try to use in projects towards a sustainable project.

(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

Not Applicable. The company is not in business of manufacturing goods or consumable products. Hence reduction during the usage by the consumer/ end user is not applicable.

3. Does the company have procedures in place for sustainable sourcing (including transportation)? (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

The Company has 47 ongoing projects in India. The first and foremost practice we prioritize to procure locally to support the sustainable sourcing & generating employment for the locals, in addition, also eliminating unnecessary transportation. Also during the project lifecycle, we encourage our client to adopt Green Certification and Sustainable design. We also encourage them to select the material certified by Green Rating for Integrated Habitat Assessment or Indian Green Building Council.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

We have taken several steps to procure material and services from local vendors and suppliers which includes major construction materials, such as Sand, stone aggregates etc. We majorly hire permanent as well as contractual manpower available in the vicinity of our project sites. Moreover, we also take steps to give job work to locals thereby improving their capacity and capability.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.-

Not Applicable. The company is not in business of manufacturing goods or consumable products.

Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains.

1. Please indicate the Total number of employees.

The company has a total 1447 number of employees as on March 31, 2020.

2. Please indicate the Total number of employees hired on temporary/contractual/casual basis.

The Company has a total of 6 employees hired on contractual basis as on March 31, 2020.

3. Please indicate the Number of permanent women employees:

The company has 37 permanent women employees as on March 31, 2020.

4. Please indicate the Number of permanent employees with disabilities -

There are no permanent employees with disabilities as on March 31, 2020

5. Do you have an employee association that is recognized by management?

The Company does not have any employee association recognized by the Management.

6. What percentage of your permanent employees is members of this recognized employee association?

Not applicable

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

The company has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (India) and the Rules thereunder.

During the period under review, no complaints relating to child labour/forced labour/involuntary labour or sexual harassment or discriminatory employment has been received by the company.

Sr. No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/forced labour/involuntary labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

8. What percentage of your under mentioned employees were given safety & skill up- gradation training in the last year?

(a) Permanent Employees	: 13%
(b) Permanent Women Employees	: 51%
(c) Casual/Temporary/Contractual Employees	: 100%
(d) Employees with Disabilities	: Not applicable

Training programs conducted for employees:

National Safety Week campaign was arranged at all project sites of the company.

E-Learning Training Program

SAP – HANA Training Program

Fire safety training program

Principle 4: Businesses should respect the interests of and be responsive to all their stakeholders.

1. Has the company mapped its internal and external stakeholders?

Yes, the company has mapped its internal and external stakeholders. Employees are its internal stakeholders and shareholders, suppliers, vendors, clients, regulators and its local communities are the external stakeholders of the company.

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.

Yes, the company has identified the disadvantaged, vulnerable and marginalized stakeholders, particularly for internal stakeholders and within its local communities.

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

As part of its Corporate Social responsibility initiative, the company has taken up several projects with an objective to promote sustainable growth for society and in the communities we operate. During the period under review, the company has through its projects worked towards the betterment of the communities with main focus on Rural development, promotion of education, sports, health and preventive care and environmental sustainability.

Principle 5: Businesses should respect and promote human rights.

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

Yes, the policy extends to the company as well as its subsidiaries. The company has adopted Whistle blower policy, Prevention of Sexual Harassment policy and HR policy within the organization which majorly covers all the aspects pertaining to human rights. Moreover, the company abides by all the applicable labour laws and other statutory requirements to maintain highest labour standards and take necessary protection measures. The Company does not hire child labour, forced labour or involuntary labour and the practice extends to its subsidiaries, JV, group companies as well as its Contractors. The Suppliers / Contractors / NGOs dealing with the Company are encouraged to maintain ethical standards in all their practices.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

No stakeholder complaints, relating to human rights, have been received in the past financial year.

Principle 6: Businesses should respect and make efforts to protect and restore the environment.

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.

Yes, the policy extends to the company as well as its subsidiaries. The JV, group companies, suppliers, Contractors dealing with the company are encouraged to maintain ethical standards in all their practices and adhere to the best environmental practices. The occupational health, safety of employees and protection of environment is the prime focus of the company and the company at all levels endeavors to preserve and maintain the health, safety and reduce the harmful effect on the environment at its construction sites and its neighborhood. Moreover, the company complies with all the related laws and regulations as applicable.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

Yes, the company takes initiatives to address environmental issues. Company's several projects such as Assembly Building Project at Gandhinagar, Gujarat, Gujarat's Chief Minister's office and one project at GIFT City, Gujarat has been felicitated for achieving the Green Building Standards under the Indian Green Building Council rating system by the Confederation of Indian Industry. The green concepts and techniques can help address issues like water efficiency, energy efficiency, reduction in fossil fuel use in commuting, handling of consumer waste and conserving natural resources.

3. Does the company identify and assess potential environmental risks? Y/N

Yes, the Company identifies and assess risks including environmental risks. The company conforms to the ISO 14001:2015 certification for its environmental management systems, SO 9001:2015 for quality management Systems and ISO 45001-2018 for occupational health and safety management.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

Not Applicable

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

The company has taken various initiatives for energy efficiency and renewable energy such as :

- Installation of Solar panels at its corporate office by which company is able to generate energy of 90 Units everyday
- Usage of LED Lights at office premises and LED Flood Lights instead of Halogens at all sites

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Not Applicable

7. Number of show cause/ legal notices received from CPCB/ SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

NIL.

Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

- (a) Confederation of Indian Industry
- (b) The Confederation of Real Estate Developers' Associations of India
- (c) Gujarat Contractors Association
- (d) Gujarat Safety Council

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

Yes, through its membership in the above chamber or association, the top management of the company has participated in its forums, discussions and meetings and have provided its valuable insights, suggestions wherever required.

Principle 8: Businesses should promote inclusive growth and equitable development.

1. Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

Yes, the company has formulated a Corporate Social Responsibility Policy in line with the requirement of Section 135 of the Companies Act, 2013. The CSR Policy enables the company to attain sustainable development and welfare of the society and in the communities in which the company operates.

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

The brief overview of some of the CSR initiatives of the company is available on the website of the company at: (<https://www.pspprojects.com/community-engagement/>)

The Annual Report on CSR activities of the company is annexed as Annexure D to Board's Report.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

Yes, the company has undertaken projects on its own while it also collaborates with credible NGOs, Charitable foundations and other institutions for implementation of the CSR initiatives of the company.

3. Have you done any impact assessment of your initiative?

No formal impact assessment of the CSR initiatives has been done by the company. However, the initiatives are periodically reviewed by the CSR committee of the company.

4. What is your company's direct contribution to community development projects - Amount in INR and the details of the projects undertaken?

The Company has spent ₹ 219.24 lakhs on the CSR activities in the financial year ended March 31, 2020. The details of the projects undertaken are mentioned in the Annual Report on the CSR activities of the company which forms part of the Board's report as Annexure D.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

The CSR initiatives are carried out in accordance with the CSR Policy of the company. The projects undertaken are internally reviewed and assessed by the CSR committee of the company.

The NGOs and charitable foundations are periodically tracked to determine the outcomes and benefits of the contribution made by the company on such initiative.

Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner.

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year?

All customer concerns and grievances, if any are promptly addressed and dealt directly by the senior managerial personnels of the company.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)

Not applicable. The company is not in business of manufacturing goods or consumable products.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.

Nil

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

No

Independent Auditor's Report

To the members of
PSP Projects Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of PSP Projects Limited (the "Company"), which comprise the Balance sheet as at March 31, 2020, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 (the "Act"), in the manner so required and give a true and fair view in conformity with the accounting standards prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS"), and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing ("SAs"), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditors' Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with

the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Statements.

Emphasis of Matter

We draw attention to Note 44 of the Standalone Financial Statements, as regards the Board of Directors' evaluation of COVID-19 impact on the future performance of the Company. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements for the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Standalone Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Standalone Financial Statements.

Key audit matters	How our audit addressed the Key Audit Matter
<p>Revenue Recognition and Trade Receivables</p> <p>There are significant accounting judgements including estimation of costs to complete, determining the stage of completion and the timing of revenue recognition.</p> <p>The company recognises revenue and profit/loss on the basis of stage of completion based on the proportion of contract costs incurred at balance sheet date.</p> <p>The accounting standard requires an entity to select a single measurement method for the relevant performance obligation that depicts the entity's performance in transferring goods or services or if a contract is onerous, present obligations are recognized and measured as provisions.</p>	<p>Our procedures included :</p> <ul style="list-style-type: none"> – Testing of the design and implementation of controls involved for the determination of the estimates used as well as their operating effectiveness; – We selected a sample of contracts to test, using a risk based criteria which included individual contracts with: <ul style="list-style-type: none"> – significant revenue recognised during the year or – significant accrued value of work done balances held at the year-end; – Obtained an understanding of management's process for reviewing long term contracts, the risk associated with the contract and any key judgments.

Key audit matters	How our audit addressed the Key Audit Matter
<p>We identified contract accounting as a key audit matter because the estimation, of the total revenue and total cost to complete the contract, prepared based on the prevailing circumstances, is inherently subjective, complex and require significant management judgment and forecast of contract revenue and/or contract cost may get subsequently changed due to change in prevailing circumstances, assumptions, contract variations or any other factor, and could result in material variance in the revenue and profit or loss from contract for the reporting period.</p>	<ul style="list-style-type: none"> – Evaluated the design and implementation of key internal controls over the contract revenue and cost estimation process through the combination of procedures involving inquiry and observations, reperformance and inspection of evidence in respect of operations of these controls.
<p>Receivables has been considered a key audit matter in the current year due to the significance of the amount and element of judgement involved in overall management assessment of the customers' ability to repay the outstanding balance during COVID 19 disruption.</p>	<ul style="list-style-type: none"> – Verified underlying documents such as original contract, and its amendments, if any, key contract terms and milestones, etc. for verifying the estimation of contract revenue and costs and /or any change in such estimation.
<p>Refer to note number 2.15,12 and Note 39 of the Standalone Financial Statements</p>	<ul style="list-style-type: none"> – Inquired with management on the progress of works and collections from customers to identify specific customers with which the company might have disagreements or disputes. – Tested samples of un-invoiced revenue entries with reference to the reports from the records and costs incurred against the services delivered to confirm the work performed and application of appropriate margin applied for the respective services. – Tested cut-offs for revenue recognized against un-invoiced amounts by matching the revenue accrual against accruals for corresponding cost; – Reviewed the work done and collection history of customers against whose contracts unbilled revenue is recognised; and verification of subsequent receipts, post balance sheet date. – Obtained confirmations from customers on sample basis to support existence assertion of trade receivables and assessed the relevant disclosures made in the Standalone Financial Statements; to ensure revenue from contracts with customers are in accordance with the requirements of relevant accounting standards. – Evaluated the nature and status of customers and obtained the understanding from management about whether ongoing business relationship with the customers, past payment history of customers and any impact on those customers because of COVID 19 pandemic. – Reviewed the Liquidated damages clause or force majeure clause of the contracts with the customers to evaluate the potential impact on the Standalone Financial Statements.

Information Other than the Standalone Financial Statements and Auditors' Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditors' report thereon. The other information is expected to be made available to us after the date of this auditors' report.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditors' responsibilities relating to other Information'.

Responsibilities of Management for the Standalone Financial Statements

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

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

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

Auditors' Responsibilities for the audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements for the financial year ended March 31, 2020, and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditors' Report) Order, 2016 (the 'Order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity 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 Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is

disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;

- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Standalone Financial Statements and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"** to this report;
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2020 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 38 to the Standalone 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.

For **Kantilal Patel & Co.**
Chartered Accountants
ICAI Firm registration number: 104744W

Jinal A. Patel
Partner
Membership No.: 153599
Place: Ahmedabad

Date: June 9, 2020
UDIN: 20153599AAAAEW7575

For **Riddhi P. Sheth & Co.**
Chartered Accountants
ICAI Firm registration number: 140190W

Riddhi P. Sheth
Proprietor
Membership No.: 159123
Place: Ahmedabad

Date: June 9, 2020
UDIN: 20159123AAAAAG9603

Annexure A to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the members PSP Projects Limited of even date)

The Annexure referred to in Independent Auditors' Report to the members of the Company on the Standalone Financial Statements for the year ended March 31, 2020.

We report that:

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) According to the information and explanations given to us, the Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified on an annual basis. In accordance with this programme, fixed assets were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings are held in the name of the company as at the balance sheet date.
- (ii) As explained to us, inventories have been physically verified at reasonable intervals by the management during the period. In our opinion, the frequency of such verification is reasonable. No material discrepancies were noticed during such verification.
- (iii) According to the information and explanations given to us, the company has granted unsecured loan to a wholly owned foreign subsidiary company and an Indian subsidiary company covered in the register maintained u/s 189 of the Companies Act, 2013 in respect of which:
 - (a) The terms and conditions of the loans granted are prima facie not prejudicial to the Company's interest.
 - (b) The borrower has been regular in the payments of the interest as stipulated. The terms of arrangements do

not stipulate any repayment schedule and the loans are repayable on demand.

- (c) There is no overdue amount remaining outstanding as at the year end.
- (iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Act in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given, have been complied with by the Company, as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit from the public within the meaning of section 73 to 76 of the Act and the Rules framed under. Therefore, the provision of clause 3(v) of the Order is not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act, related to the projects of the company, and are of the opinion that prima facie, the specified accounts and records have generally been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employee state insurance, income-tax, duty of customs, goods and services tax and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, duty of customs, goods and services tax and other material statutory dues were in arrears as at March 31, 2020, for a period of more than six months from the date they became payable.

- (b) According to the records of the Company, the dues of income tax, duty of custom, duty of excise and goods and services tax which have not been deposited as on March 31, 2020, on account of disputes are as follows:

Sr. No.	Name of the statute	Nature of the dues	Amount (₹ in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
1	Excise & Customs	Dispute in relation to Classification of Excise Chargeability on Ready Mix Concrete.	4.76	2014-15 & 2015-16	SCN reply filed to Assistant Commissioner Central Excise
2	Income Tax	Dispute in relation to disallowance of purchase	2.93	AY 2013-14	Commissioner of Income Tax (Appeals). Application is filed under Vivad se Vishwas Tax Scheme
3	Income Tax	Disallowance U/S 36(1) (va)	3.26	AY 2017-18	Commissioner of Income Tax (Appeals)

- (viii) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any bank as at the balance sheet date. The company did not have any outstanding dues to debenture holders during the period.
- (ix) Based on the information and explanations given by the management and on an overall examination of the balance sheet, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and that the term loans have been applied for the purposes for which they were raised.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practice in India, and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given by the management, the managerial remuneration has been paid/provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.
- (xiii) Based on our examination of records of the Company and according to the information and explanations given to us, the transactions with related parties are in compliance with the provisions of Section 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Standalone Financial Statements as required by the applicable accounting standard.
- (xiv) According to the records of the Company examined by us and the information and explanation given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, provisions of clause 3(xiv) are not applicable to the Company.
- (xv) Based on the examinations of the records and according to the information and explanations given by the management, during the year, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For **Kantilal Patel & Co.**
Chartered Accountants
ICAI Firm registration number: 104744W

Jinal A. Patel
Partner
Membership No.: 153599
Place: Ahmedabad

Date: June 9, 2020
UDIN: 20153599AAAAEW7575

For **Riddhi P. Sheth & Co.**
Chartered Accountants
ICAI Firm registration number: 140190W

Riddhi P. Sheth
Proprietor
Membership No.: 159123
Place: Ahmedabad

Date: June 9, 2020
UDIN: 20159123AAAAAG9603

Annexure B to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of PSP Projects Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 the Company as of March 31, 2020, in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 auditors' judgment, including the assessment of the

For **Kantilal Patel & Co.**
Chartered Accountants
ICAI Firm registration number: 104744W

Jinal A. Patel
Partner
Membership No.: 153599
Place: Ahmedabad

Date: June 9, 2020
UDIN: 20153599AAAAEW7575

risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Riddhi P. Sheth & Co.**
Chartered Accountants
ICAI Firm registration number: 140190W

Riddhi P. Sheth
Proprietor
Membership No.: 159123
Place: Ahmedabad

Date: June 9, 2020
UDIN: 20159123AAAAAG9603

Standalone Balance Sheet

as at March 31, 2020

Particulars	Note No.	(₹ in Lakhs)	
		As at March 31, 2020	As at March 31, 2019
ASSETS			
(1) Non current Assets			
(a) Property, Plant and Equipment	3	10,645.34	10,212.88
(b) Capital Work-In-Progress	4	-	-
(c) Other Intangible Assets	5	143.66	103.65
(d) Financial Assets			
(i) Investments	6	442.37	442.37
(ii) Loans	7	2,751.59	2,386.41
(iii) Other Financial Assets	8	11,916.56	5,887.77
(e) Deferred Tax Asset (Net)	9	578.99	486.93
(f) Other Non Current Assets	10	251.35	211.77
Total Non-Current Assets		26,729.86	19,731.78
(2) Current Assets			
(a) Inventories	11	9,683.35	7,500.17
(b) Financial Assets			
(i) Trade receivables	12	22,400.00	14,257.16
(ii) Cash and cash equivalents	13	4,121.16	3,504.68
(iii) Bank Balances other than (ii) above	13	15,552.17	18,665.61
(iv) Loans	7	1,191.04	1,578.28
(v) Other Financial Assets	8	12,843.37	4,938.80
(c) Other Current Assets	10	3,407.33	2,875.08
Total Current Assets		69,198.42	53,319.78
Total Assets		95,928.28	73,051.56
EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share Capital	14	3,600.00	3,600.00
(b) Other Equity	15	42,111.01	33,538.11
Total Equity		45,711.01	37,138.11
LIABILITIES			
(2) Non-Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	403.69	40.87
(b) Provisions	17	39.81	-
Total Non-Current Liabilities		443.50	40.87
(3) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	6,822.30	2,456.64
(ii) Trade Payables	18	-	-
- Total outstanding dues of micro enterprises and small enterprises		757.37	75.23
- Total outstanding dues of creditors other than micro enterprises and small enterprises		20,871.50	15,765.40
(iii) Other Financial Liabilities	19	2,053.75	1,172.19
(b) Other Current Liabilities	20	19,113.98	15,331.79
(c) Provisions	17	69.66	31.36
(d) Current Tax Liabilities (Net)	21	85.21	1,039.97
Total Current Liabilities		49,773.77	35,872.58
Total Liabilities		50,217.27	35,913.45
Total Equity and Liabilities		95,928.28	73,051.56

The Notes on Account form Integral part of the Standalone Financial Statements 1 to 46 (As per our report of even date)

For **Kantilal Patel & Co.**

Chartered Accountants
ICAI Firm Reg. No. : 104744W

Jinal A. Patel

Partner
Membership No. : 153599

For **Riddhi P. Sheth & Co.**

Chartered Accountants
ICAI Firm Reg. No. : 140190W

Riddhi P. Sheth

Proprietor
Membership No. : 159123

Place : Ahmedabad
Date : June 09, 2020

For and on behalf of the Board of Directors

Prahaladbhai S. Patel

Managing Director & CEO
(DIN: 00037633)

Hetal Patel

Chief Financial Officer

Shilpaben P. Patel

Whole Time Director
(DIN: 02261534)

Mittali Christachary

Company Secretary

Place : Ahmedabad
Date : June 09, 2020

Standalone Statement of Profit and Loss

for the year ended on March 31, 2020

(₹ in Lakhs)

Particulars	Note No.	Year ended March 31, 2020	Year ended March 31, 2019
I Revenue From Operations	22	1,49,925.77	1,04,401.25
II Other Income	23	2,477.53	2,297.84
III Total Income (I+II)		1,52,403.30	1,06,699.09
IV EXPENSES			
Cost of Construction Material Consumed	24	52,665.93	43,071.43
Changes in Inventories of Work-In-Progress	25	839.41	(1,791.48)
Construction Expenses	26	70,042.26	42,915.74
Employee Benefits Expense	27	5,944.04	4,317.82
Finance Costs	28	1,463.80	916.05
Depreciation and Amortization Expense	29	2,669.17	2,422.90
Other Expenses	30	1,336.50	993.29
Total Expenses (IV)		1,34,961.11	92,845.75
V Profit Before Tax (III-IV)		17,442.19	13,853.34
VI Tax Expense:			
(a) Current Tax	33	4,608.22	5,143.16
(b) Deferred Tax	33	(92.06)	(313.44)
VII Profit for the year (V-VI)		12,926.03	9,023.62
VIII Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
- Remeasurement expenses of Defined benefit plans		(17.56)	(2.10)
- Income tax expenses relating to items that will be reclassified to profit or loss		4.42	-
IX Total Other Comprehensive Income (VIII)		(13.14)	(2.10)
X Total Comprehensive Income for the year (VII+IX)		12,912.89	9,021.52
XI Earnings per equity share:			
Basic and Diluted (Face value ₹ 10 per equity share)	31	35.91	25.07

The Notes on Account form Integral part of the Standalone Financial Statements 1 to 46 (As per our report of even date)

For **Kantilal Patel & Co.**
Chartered Accountants
ICAI Firm Reg. No. : 104744W

For and on behalf of the Board of Directors

Jinal A. Patel
Partner
Membership No. : 153599

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

Shilpaben P. Patel
Whole Time Director
(DIN: 02261534)

For **Riddhi P. Sheth & Co.**
Chartered Accountants
ICAI Firm Reg. No. : 140190W

Riddhi P. Sheth
Proprietor
Membership No. : 159123

Hetal Patel
Chief Financial Officer

Mittali Christachary
Company Secretary

Place : Ahmedabad
Date : June 09, 2020

Place : Ahmedabad
Date : June 09, 2020

Statement of Standalone Cash Flows

for the year ended on March 31, 2020

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
A Cash flow from operating activities		
Profit before tax	17,442.19	13,853.34
Adjustments for :		
Finance costs	682.24	445.85
Depreciation and amortisation expense	2,669.17	2,422.90
Expected credit loss allowance	33.00	87.67
Dividend	(3.16)	(3.61)
Interest Income	(2,198.03)	(2,111.44)
Loss / (Gain) on sale of Property, Plant & Equipment (Net)	-	50.26
Operating Profit before working capital changes	18,625.41	14,744.97
Movements in working capital:		
(Increase) / Decrease in Inventories	(2,183.18)	(4,145.38)
(Increase) / Decrease in trade receivable	(8,175.84)	(2,724.49)
(Increase) / Decrease in other assets	(11,378.45)	(5,894.58)
Increase / (Decrease) in trade payables	5,830.78	2,526.66
Increase / (Decrease) in other liabilities	4,683.18	3,057.83
Increase / (Decrease) in provisions	64.97	(23.72)
Cash generated from operations:	7,466.87	7,541.29
Direct taxes paid (net)	(5,562.98)	(4,771.58)
Net cash generated/(used) from operating activities (A)	1,903.89	2,769.71
B Cash flows from investing activities		
Payment for Property, Plant and Equipment (PPE), Intangible assets & CWIP	(3,307.31)	(3,943.19)
Proceeds from sale of Property, Plant and Equipment (PPE)	0.93	0.93
(Purchase)/Proceeds on sale of current investments (Net)	-	1,376.86
Purchase of term deposits (Net)	345.79	(2,439.72)
Loan given to Subsidiary	(365.18)	(532.77)
Dividend received	3.16	3.61
Interest received	2,198.03	2,149.30
Net cash generated/(used) in Investing activities (B)	(1,124.58)	(3,384.98)
C Cash flow from financing activities :		
Proceeds from / (Repayment) of non-current borrowings	493.74	(214.68)
Proceeds from / (Repayment) of current borrowings	4,365.66	676.58
Dividend and dividend tax paid	(4,339.99)	(2,170.00)
Interest paid	(682.24)	(445.85)
Net cash generated/(used) in Financing activities (C)	(162.83)	(2,153.95)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS [(A) + (B) + (C)]	616.48	(2,769.22)
Add: Cash and cash equivalents as at beginning of the year	3,504.68	6,273.90
Cash and Cash Equivalents as at the end of the year	4,121.16	3,504.68

Statement of Standalone Cash Flows

for the year ended on March 31, 2020

Note to Cash Flow Statement:

- The above Cash Flow Statement has been prepared under the 'Indirect method' as set out in the Ind AS - 7 Statement of Cash Flow.
- The company has total sanctioned limit (fund & non-fund based) of ₹ 61,000 lakhs (P.Y. ₹ 41,000 lakhs) with banks, out of which ₹ 42,618.43 lakhs (P.Y. ₹ 34,485.06 lakhs) has been utilised.
- Cash And Cash Equivalents comprises of:

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Cash on hand	45.98	41.32
Balances with banks		
In current accounts	1,051.45	29.43
In cash credit accounts (debit balance)	276.33	129.58
In deposit accounts (Maturity less than 3 months)	2,747.40	3,304.35
Cash and Cash equivalents as per Note 13	4,121.16	3,504.68

4 Disclosure as required by Ind AS 7

Reconciliation of liabilities arising from financing activities

As at March 31, 2020

(₹ in Lakhs)

Particulars	Opening Balance	Cash Flows	Non Cash Changes	Closing Balance
Non-current Borrowings	168.49	493.74	-	662.23
Current Borrowings	2,456.64	4,365.66	-	6,822.30
Total liabilities from financing activities	2,625.13	4,859.40	-	7,484.53

As at March 31, 2019

(₹ in Lakhs)

Particulars	Opening Balance	Cash Flows	Non Cash Changes	Closing Balance
Non-current Borrowings	383.17	(214.68)	-	168.49
Current Borrowings	1,780.06	676.58	-	2,456.64
Total liabilities from financing activities	2,163.23	461.90	-	2,625.13

The Notes on Account form Integral part of the Standalone Financial Statements 1 to 46 (As per our report of even date)

For **Kantilal Patel & Co.**
Chartered Accountants
ICAI Firm Reg. No. : 104744W

For and on behalf of the Board of Directors

Jinal A. Patel
Partner
Membership No. : 153599

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

Shilpaben P. Patel
Whole Time Director
(DIN: 02261534)

For **Riddhi P. Sheth & Co.**
Chartered Accountants
ICAI Firm Reg. No. : 140190W

Riddhi P. Sheth
Proprietor
Membership No. : 159123

Hetal Patel
Chief Financial Officer

Mittali Christachary
Company Secretary

Place : Ahmedabad
Date : June 09, 2020

Place : Ahmedabad
Date : June 09, 2020

Standalone Statement Of Changes In Equity

For The Year Ended March 31, 2020

a. Equity Share Capital:

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	3,600.00	3,600.00
Changes in equity share capital during the year	-	-
Balance at the end of the year	3,600.00	3,600.00

b. Other Equity:

Particulars	Reserves & Surplus			Debt instruments through OCI	Total
	General Reserve	Securities Premium	Retained Earnings		
Balance as at March 31, 2018 (A)	936.10	13,488.68	12,261.81	(20.17)	26,666.42
Additions during the year:					
Profit for the year	-	-	9,023.62	-	9,023.62
Remeasurement benefits of defined benefit plans	-	-	(2.10)	-	(2.10)
Total Comprehensive Income for the year 2018-19 (B)	-	-	9,021.52	-	9,021.52
Reductions during the year:					
Realisation of gain/(loss) on investments in debt instruments through OCI	-	-	-	(20.17)	(20.17)
Dividends	-	-	1,800.00	-	1,800.00
Dividend Distribution Tax Paid	-	-	370.00	-	370.00
Total (C)	-	-	2,170.00	(20.17)	2,149.83
Balance as at March 31, 2019 (D) = (A) + (B) - (C)	936.10	13,488.68	19,113.33	-	33,538.11
Additions during the year:					
Profit for the year	-	-	12,926.03	-	12,926.03
Remeasurement benefits of defined benefit plans (Net of Tax)	-	-	(13.14)	-	(13.14)
Total Comprehensive Income for the year 2019-20 (E)	-	-	12,912.89	-	12,912.89
Reductions during the year:					
Dividends*	-	-	3,600.00	-	3,600.00
Dividend Distribution Tax Paid	-	-	739.99	-	739.99
Total (F)	-	-	4,339.99	-	4,339.99
Balance as at March 31, 2020 (G) = (D) + (E) - (F)	936.10	13,488.68	27,686.23	-	42,111.01

* Dividends include final dividend for the year ended 31 March 2019: ₹ 5 per share and interim dividend for the year ended 31 March 2020: ₹ 5 per share.

The Notes on Account form Integral part of the Standalone Financial Statements 1 to 46 (As per our report of even date)

For **Kantilal Patel & Co**

Chartered Accountants
ICAI Firm Reg. No. : 104744W

For and on behalf of the Board of Directors

Jinal A. Patel

Partner
Membership No. : 153599

Prahaladbhai S. Patel

Managing Director & CEO
(DIN: 00037633)

Shilpaben P. Patel

Whole Time Director
(DIN: 02261534)

For **Riddhi P. Sheth & Co.**

Chartered Accountants
ICAI Firm Reg. No. : 140190W

Riddhi P. Sheth

Proprietor
Membership No. : 159123

Hetal Patel

Chief Financial Officer

Mitali Christachary

Company Secretary

Place : Ahmedabad
Date : June 09, 2020

Place : Ahmedabad
Date : June 09, 2020

Notes to the Standalone Financial Statements

For The Year Ended March 31, 2020

1. Company Overview:

PSP Projects Limited ("the Company") is a public limited company domiciled in India and has its registered office in Ahmedabad, Gujarat, India. The company has been incorporated under the provisions of Company's act 1956. The shares of the company are listed on National Stock Exchange of India Ltd. and Bombay Stock Exchange Ltd with effect from May 29, 2017.

The company offers construction services across industrial, institutional, residential, social infrastructure and commercial projects in India.

2. Significant Accounting Policies, Key Accounting Estimates & Judgement:

2.1 Basis of preparation of standalone financial statements:

These financial statements are the separate financial statements of the Company (also called standalone financial statements) prepared in accordance with Indian Accounting Standards ('Ind AS') as notified under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

These standalone financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these standalone financial statements.

2.2 Functional and presentation currency:

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

2.3 Key accounting estimates and judgements:

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

Critical accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

a) Property, Plant and Equipment:

Property, Plant and Equipment represents a significant proportion of the asset base of the Company.

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful lives specified in Schedule II to the Companies Act, 2013, or in the case of assets where the useful life was determined by technical evaluation, over the useful life so determined.

The Useful lives are determined at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

b) Income taxes:

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

Notes to the Standalone Financial Statements

For The Year Ended March 31, 2020

c) Defined Benefit Obligation:

The costs of providing post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates.

d) Fair value measurement of Financial Instruments:

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

2.4 Current / Non-Current Classification:

Any asset or liability is classified as current if it satisfies any of the following conditions:

- i. the asset/liability is expected to be realized/settled in the Company's normal operating cycle;
- ii. the asset is intended for sale or consumption;
- iii. the asset/liability is expected to be realized/settled within twelve months after the reporting period;
- iv. the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- v. In the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

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

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

2.5 Property, Plant & Equipment:

a) Measurement at recognition:

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

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

b) Depreciation:

Depreciation on each part of an item of property, plant and equipment is provided using the Written down Value (WDV) Method based on the useful life of the asset.

Useful life and residual value prescribed in Schedule II of the Companies Act, 2013 are considered except in the following cases where useful life is supported by the technical evaluation considering business specific usage, the consumption pattern of the assets and the past performance of similar assets:

Particulars	Useful Life in years
Steel Shuttering Materials included in Plant and Machinery	5 to 10 years

Notes to the Standalone Financial Statements

For The Year Ended March 31, 2020

The useful lives, residual values of each part of an item of property, plant and equipment and the depreciation methods are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

c) Derecognition:

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

2.6 Intangible Assets:

a) Measurement at recognition:

Intangible assets i.e. Software acquired separately are measured on initial recognition at cost. Subsequently, intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any.

b) Amortization:

Intangible Assets are amortized on a Straight-Line basis over the estimated useful economic life. The amortization expense on intangible assets is recognized in the Statement of Profit and Loss. The estimated useful life of software is considered 6 years.

The amortization period and the amortization method for an intangible asset is reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

c) Derecognition:

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognized in the Statement of Profit and Loss when the asset is derecognized

2.7 Borrowing Costs:

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized. All other borrowing costs are expensed in the period in which they occur.

2.8 Impairment of non-financial assets:

Assets that are subject to depreciation and amortization and assets representing investments in subsidiary and associate companies are reviewed for impairment, whenever events or changes in circumstances indicate that carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.

The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called cash generating units (CGU) may be impaired. If any such indication exists, the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

Notes to the Standalone Financial Statements

For The Year Ended March 31, 2020

2.9 Investment in Subsidiary & Joint Venture:

The Company has elected to recognize its investments in subsidiaries and joint venture at cost in accordance with the option available in Ind AS 27, 'Separate Financial Statements'. The details of such investments are given in Note 6.

2.10 Inventory:

a) **Construction Materials:**

Construction materials are valued at lower of cost or net realizable value, on the basis of weighted average method after providing for obsolescence and other losses, where considered necessary. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

b) **Work in Progress:**

Work-in-progress represents cost incurred directly in respect of construction activity and indirect construction cost to the extent to which the expenditure is related to the construction or incidental thereto is valued at lower of cost or net realizable value.

c) **Wooden Shuttering material:**

Wooden shuttering materials included in the work-in-progress are valued at cost less charged off to statement of Profit and Loss based on their usages for the construction activity.

2.11 Site establishment cost :

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

2.12 Financial Instrument:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets:

a) **Initial recognition and measurement:**

All financial assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

b) **Subsequent measurement:**

i. **Financial assets measured at amortized cost:**

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii. **Financial assets measured at fair value through other comprehensive income (FVTOCI):**

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iii. **Financial assets measured at fair value through profit & loss (FVTPL):**

A financial asset which is not classified in any of the above categories are measured at FVTPL.

c) **Impairment of financial assets:**

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Notes to the Standalone Financial Statements

For The Year Ended March 31, 2020

Expected credit losses are measured through a loss allowance at an amount equal to:

1. The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
2. Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

Financial Liabilities

a) Initial recognition and measurement:

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

b) Subsequent measurement:

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

2.13 Foreign Currency Transaction & Translation:

a) Initial Recognition:

On initial recognition, transactions in foreign currencies entered into by the Company are recorded in the functional currency (i.e. Indian Rupees), by applying to the foreign currency amount, the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss.

b) Measurement of foreign currency items at reporting date:

Foreign currency monetary items of the Company are translated at the closing exchange rates. Non-monetary items that are measured at historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency, are translated using the exchange rates at the date when the fair value is measured.

Exchange differences arising out of these translations are recognized in the Statement of Profit and Loss.

2.14 Fair Value:

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

Notes to the Standalone Financial Statements

For The Year Ended March 31, 2020

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1 — quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 — inputs that are unobservable for the asset or liability

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

2.15 Revenue Recognition:

Revenue from Contracts with Customers:

The Company recognises revenue from contracts with customers when it satisfies a performance obligation by transferring promised goods or service to a customer. The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Performance obligation is satisfied over time when the transfer of control of good or service to a customer is done over time and in other cases, performance obligation is satisfied at a point in time. For performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

For contracts where the aggregate of contract cost incurred to date plus recognised profits (or minus recognised losses as the case may be) exceeds the progress billing, the surplus is shown as contract asset and termed as "Due from customers". For contracts where progress billing exceeds the aggregate of contract costs incurred to-date plus recognised profits (or minus recognised losses, as the case may be), the surplus is shown as contract liability and termed as "Due to customers". Amounts received before the related work is performed are disclosed in the Balance Sheet as contract liability and termed as "Advances from customer". The amounts billed on customer for work performed and are unconditionally due for payment i.e only passage of time is required before payment falls due, are disclosed in the Balance Sheet as trade receivables. The amount of retention money held by the customers pending completion of performance milestone is disclosed as part of contract asset and is reclassified as trade receivables when it becomes due for payment.

Transaction price is the amount of consideration to which the Company expects it to be entitled in exchange for transferring goods or services to a customer excluding amounts collected on behalf of a third party. Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance. Payment terms agreed with a customer are as per business practice and the financing component, if significant, is separated from the transaction price and accounted as interest income.

Costs to obtain a contract which are incurred regardless of whether the contract was obtained are charged-off in profit & loss immediately in the period in which such costs are incurred. Incremental costs of obtaining a contract, if any, and costs incurred to fulfil a contract are amortised over the period of execution of the contract in proportion to the progress measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract cost incurred that are likely to be recoverable. An expected loss on the contract is recognized as an expense immediately.

The differences between the timing of our revenue recognised (based on costs incurred) and customer billings (based on contractual terms) results in changes to revenue in excess of billing or billing in excess of revenue.

Cost incurred towards future contract activity is classified as project work in progress.

Sale of goods:

Revenue from sale of goods is recognised when the control of the same is transferred to the customer and it is probable that the Company will collect the consideration to which it is entitled for the exchanged goods.

Notes to the Standalone Financial Statements

For The Year Ended March 31, 2020

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

Interest and dividend:

Interest income is accrued on a time basis by reference to the principal outstanding using effective interest rate method. Dividend income is recognized when the right to receive payment is established.

2.16 Employee Benefits:

a) Short Term Employee Benefits:

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

b) Post-Employment Benefits:

I. Defined Contribution plans:

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to separate entities. The Company makes specified monthly contributions towards Provident Fund, State Insurance, and Pension Scheme. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

II. Defined Benefit plans:

The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act 1972.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services. Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income. Such re-measurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

c) Other long term employee benefits

All other long term employee benefit which do not fall due wholly within twelve months after the end of the period in which the employee render the related services are determined based on actuarial valuation or discounted present value method carried out at each balance sheet date. The expected cost of accumulating compensated absence is determined by actuarial valuation performed by an independent actuary as at 31 March every year using projected unit credit method on additional amount expected to be paid/availed as a result of unutilised entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absence is recognised in the period in which the absences occur.

2.17 Income Taxes:

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

a) Current tax:

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible in accordance with applicable tax laws. Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

b) Deferred tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit.

Notes to the Standalone Financial Statements

For The Year Ended March 31, 2020

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period

c) Presentation of current and deferred tax:

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/expense are recognized in Other Comprehensive Income.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

2.18 Provision & Contingencies:

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

2.19 Lease Accounting:

The Company has adopted Ind AS 116-Leases effective 1st April, 2019, using the modified retrospective method. The Company has applied the standard to its leases with the cumulative impact recognised on the date of initial application (1st April, 2019). Accordingly, previous period information has not been restated.

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Company has concluded that no changes are required to lease period relating to the existing lease contracts.

2.20 Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company.

2.21 Earnings per share:

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

Notes to the Standalone Financial Statements

For The Year Ended March 31, 2020

2.22 Cash Flow Statement:

Cash Flow is reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

2.23 Cash and Cash Equivalents:

Cash and Cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the maturity is three months or less and other short term highly liquid investments.

2.24 Application of New Accounting Pronouncements:

The Company has applied following new accounting standards that were issued and were effective during the year. The effect of these accounting standards is described below:

a) *Ind AS 116 – Leases:*

After considering current and future economic conditions, the Company has concluded that no changes are required to Lease period relating to existing lease contracts. The adoption of the standard did not have any material impact on the Standalone Financial Statements.

b) *Ind AS 12 – Income Taxes – Appendix C, Uncertainty over Income Tax Treatments:*

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit/loss, tax bases, unused tax losses, unused tax credits and tax rates. The standard permits two possible methods of transition – i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognised by adjusting equity on initial application, without adjusting comparatives. The standard became effective from April 01, 2019. The Company has adopted the standard on April 01, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 01, 2019 if any without adjusting comparatives. The effect on adoption of Ind AS 12 Appendix C is insignificant in the Standalone Financial Statements.

c) *Amendment to Ind AS 12 – Income taxes:*

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The adoption of the standard did not have any material impact to the Standalone Financial Statements. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend in accordance with Ind AS 12.

d) *Amendment to Ind AS 19 – Employee benefit – plan amendment, curtailment or settlement:*

The amendments require an entity to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. The adoption of the standard did not have any material impact to the Standalone Financial Statements.

2.25 Events after reporting date:

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the standalone financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

Notes to the Standalone Financial Statements

For The Year Ended March 31, 2020

3 Property, Plant and Equipment

(₹ in Lakhs)

Particulars	Land	Buildings	Furniture & Fixture	Plant & Equipment	Office Equipments	Computers	Vehicles	Total
Gross Carrying amount								
As at March 31, 2018	1,006.05	896.44	161.91	7,757.88	115.34	127.43	1,707.13	11,772.18
Additions	-	-	69.25	4,297.35	45.93	39.23	587.67	5,039.43
Deductions / Disposals	-	-	-	171.53	-	6.26	14.59	192.38
As at March 31, 2019	1,006.05	896.44	231.16	11,883.70	161.27	160.40	2,280.21	16,619.23
Additions	-	-	27.92	2,219.29	33.19	176.34	619.25	3,075.99
Deductions / Disposals	-	-	-	-	-	0.50	15.08	15.58
As At March 31, 2020	1,006.05	896.44	259.08	14,102.99	194.46	336.24	2,884.38	19,679.64
Accumulated depreciation								
As at March 31, 2018	-	39.30	90.13	3,006.69	69.13	88.93	847.40	4,141.58
Depreciation for the year	-	82.12	25.55	1,834.44	29.04	32.61	402.20	2,405.96
Deductions / Disposals	-	-	-	121.58	-	5.95	13.66	141.19
As at March 31, 2019	-	121.42	115.68	4,719.55	98.17	115.59	1,235.94	6,406.35
Depreciation for the year	-	74.43	31.58	2,090.18	36.08	50.24	360.09	2,642.60
Deductions / Disposals	-	-	-	-	-	0.32	14.33	14.65
As At March 31, 2020	-	195.85	147.26	6,809.73	134.25	165.51	1,581.70	9,034.30
Net carrying amount								
As At March 31, 2020	1,006.05	700.59	111.82	7,293.26	60.21	170.73	1,302.68	10,645.34
As at March 31, 2019	1,006.05	775.02	115.48	7,164.15	63.10	44.81	1,044.27	10,212.88
As at March 31, 2018	1,006.05	857.14	71.78	4,751.19	46.21	38.50	859.73	7,630.60

Notes:

- (i) Vehicles amounting to ₹ 93.65 Lakhs as disclosed in Gross Carrying Value as at March 31, 2020 (March 31, 2019 - ₹ 93.65 Lakhs) in Note 3 to the standalone financial statements, are in the name of Mr. Prahaladhai S. Patel, Managing Director and CEO of the company.
- (ii) Refer to Note 16 for information on property, plant and equipment pledged as security by the Company.
- (iii) For Capital Commitments, Refer Note 38.

Notes to the Standalone Financial Statements

For The Year Ended March 31, 2020

4 Capital Work In Progress

(₹ in Lakhs)

Particulars	Property, Plant and Equipment	
	March 31, 2020	March 31, 2019
Opening CWIP	-	176.31
Additions	-	-
Capitalised during the year	-	176.31
Total	-	-

5 Other Intangible assets

(₹ in Lakhs)

Particulars	Computer Software	Total
Gross Carrying amount		
As at March 31, 2018	184.70	184.70
Additions	48.37	48.37
Deductions	-	-
As at March 31, 2019	233.07	233.07
Additions	66.58	66.58
Deductions	-	-
As At March 31, 2020	299.65	299.65
Accumulated amortisation		
As at March 31, 2018	112.48	112.48
Amortisation for the year	16.94	16.94
Deductions	-	-
As at March 31, 2019	129.42	129.42
Amortisation for the year	26.57	26.57
Deductions	-	-
As At March 31, 2020	155.99	155.99
Net carrying amount		
As At March 31, 2020	143.66	143.66
As at March 31, 2019	103.65	103.65
As at March 31, 2018	72.22	72.22

6 Investments

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Non Current		
Investment in Equity Instruments / Capital of Partnership Firm		
Unquoted		
(i) Subsidiaries		
(Measured at Cost, Refer Note No. 34)		
(a) PSP Projects & Proactive Constructions Pvt. Ltd. 37,00,000 (Previous Year : 37,00,000) Equity Shares of Face Value ₹ 10 Each (Refer Note No.37)	370.00	370.00
(b) PSP Projects Inc. 10,000 (Previous Year : 10,000) Equity Shares of Face Value \$1 Each (Refer Note No.37)	6.69	6.69

Notes to the Standalone Financial Statements

For The Year Ended March 31, 2020

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
(ii) Joint Venture		
(Measured at Cost, Refer Note No. 34)		
(a) M/s. GDCL and PSP Joint Venture (Refer Note 6.1)	44.59	44.59
(Share of profit of Ganon Dunkerley & Company Limited and PSP Projects Limited in the entity is 51:49) (Refer Note No.37)		
(iii) Others		
(Measured at Cost, Refer Note No. 34)		
(a) The Kalupur Commercial Co-Operative Bank Limited	21.09	21.09
84,350 (Previous Year : 84,350) Equity Shares of Face Value ₹ 25 Each		
Total Non Current Investments	442.37	442.37
Aggregate Carrying Value of unquoted investment	442.37	442.37

6.1 Investment in M/s. GDCL and PSP Joint Venture:

Name of the Partners	Capital of the firm	Share of Partner
Ganon Dunkerley & Company Limited	46.41	51.00%
PSP Projects Limited	44.59	49.00%
Total	91.00	100.00%

7 Loans

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Non Current		
Loan to related parties (Refer note no. 37)	2,751.59	2,386.41
Total	2,751.59	2,386.41
Current		
Loan to related parties (Refer note no. 37)	1,163.44	1,534.17
Loans and advances to employees	27.60	44.11
Total	1,191.04	1,578.28

Break up of security details

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Non Current		
Loan Receivables considered good- Secured	-	-
Loan Receivables considered good- Unsecured	2,751.59	2,386.41
Loan Receivables which have significant increase in Credit Risk	-	-
Loan Receivables impaired	-	-
Total	2,751.59	2,386.41
Current		
Loan Receivables considered good- Secured	-	-
Loan Receivables considered good- Unsecured	1,191.04	1,578.28
Loan Receivables which have significant increase in Credit Risk	-	-
Loan Receivables impaired	-	-
Total	1,191.04	1,578.28

Notes to the Standalone Financial Statements

For The Year Ended March 31, 2020

8 Other Financial Assets

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Non Current		
Unsecured, considered good		
Security deposits	409.20	395.00
Other Deposits	54.17	-
Deposits with Banks (Maturity more than 12 months)	5,386.90	2,617.05
Contract Assets		
Retention money receivable from customers	6,066.29	2,875.72
Total	11,916.56	5,887.77
Current		
Other deposits	611.05	765.76
Contract Assets		
Retention money receivable from customers	637.59	1,872.94
Amount due from customers (Unbilled Revenue)	11,594.73	2,300.10
Total	12,843.37	4,938.80

9 Deferred Tax Assets

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred Tax Asset	578.99	486.93
Total	578.99	486.93

Deferred tax asset/(liabilities) in relation to:

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Opening balance		
Non deductible expenses for tax purpose	45.20	-
Property, plant and equipment	441.73	173.50
Investments carried at FVTOCI	-	10.76
Total	486.93	184.26
Recognised in Profit or loss		
Non deductible expenses for tax purpose	23.21	45.20
Property, plant and equipment	68.85	268.23
Investments carried at FVTOCI	-	(10.76)
Total	92.06	302.67
Closing balance		
Non deductible expenses for tax purpose	68.41	45.20
Property, plant and equipment	510.58	441.73
Investments carried at FVTOCI	-	-
Total	578.99	486.93

Notes to the Standalone Financial Statements

For The Year Ended March 31, 2020

10 Other assets

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current		
Unsecured, considered good		
Capital Advances	202.29	187.90
Prepaid Expenses	49.06	23.87
Total	251.35	211.77
Current		
Unsecured, considered good		
Advances to Vendors	1,258.68	1,301.22
Balance with Government Authorities	820.81	183.31
Site Establishment Cost	904.54	884.60
Prepaid Expenses	423.30	505.95
Total	3,407.33	2,875.08

11 Inventories

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Construction Materials	7,673.03	4,650.44
Work in Progress	2,010.32	2,849.73
Total	9,683.35	7,500.17

(The cost of inventories recognised as an expense during the year is disclosed in Note No. 24 & 25)

12 Trade Receivables

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
From related parties (Refer note no. 37)	-	75.06
From others	22,562.36	14,311.46
Total	22,562.36	14,386.52
Less: Expected credit loss allowance	(162.36)	(129.36)
Total	22,400.00	14,257.16

Break up of security details

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	22,400.00	14,257.16
Trade receivables which have significant increase in credit risk	162.36	129.36
Trade receivables - credit impaired	-	-
Total	22,562.36	14,386.52
Provision for expected credit loss	(162.36)	(129.36)
Total Trade Receivables	22,400.00	14,257.16

Notes to the Standalone Financial Statements

For The Year Ended March 31, 2020

13 Cash and Bank Balances

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
	Cash and Cash Equivalents	
Cash on Hand	45.98	41.32
Balances with banks		
In current accounts	1,051.45	29.43
In cash credit accounts (debit balance)	276.33	129.58
In deposit accounts(Refer Note 13.1 below)	23,683.51	24,586.25
Sub Total	25,057.27	24,786.58
Less: Fixed deposits having maturity more than 3 months & less than 12 months shown under other bank balances	15,549.21	18,664.85
Less: Fixed deposits having maturity more than 12 months shown under other financial assets (refer Note 8)	5,386.90	2,617.05
Total	4,121.16	3,504.68
Other Bank Balances		
Unpaid dividend accounts*	2.96	0.76
In deposit accounts (Maturity more than 3 months & less than 12 months)	15,549.21	18,664.85
Total	15,552.17	18,665.61

13.1 The details of Fixed deposits pledged with banks/clients as given below:

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
	Fixed deposits pledged with banks as security against credit facilities	16,638.60
Fixed deposits pledged with bank as security against overdraft facility for subsidiary company	452.70	424.55
Fixed deposits pledged with clients as security	1,495.35	1,324.51
Total	18,586.65	14,430.80

* The company can utilise these balances only towards settlement of unclaimed dividend.

14 Equity Share Capital

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
	Authorised Equity Share Capital	
5,00,00,000 (previous year - 5,00,00,000) Equity Shares of ₹ 10 each	5,000.00	5,000.00
	5,000.00	5,000.00
Issued, Subscribed and Paid up capital		
3,60,00,000 (previous year - 3,60,00,000) Equity Shares of ₹ 10 each fully paid up	3,600.00	3,600.00
	3,600.00	3,600.00

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

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
At the beginning of the year	3,60,00,000	3,600.00	3,60,00,000	3,600.00
Add: Shares Issued during the year	-	-	-	-
At the end of the year	3,60,00,000	3,600.00	3,60,00,000	3,600.00

Notes to the Standalone Financial Statements

For The Year Ended March 31, 2020

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

- The Company has only one class of equity shares having par value of ₹ 10 per share.
- Each holder of equity shares is entitled to one vote per share.
- In the event of the liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Equity shares held by shareholders each holding more than 5 % of the shares

Name of the Shareholders	As at March 31, 2020		As at March 31, 2019	
	No. of shares	%	No. of shares	%
Prahaladbhai S. Patel	1,83,90,914	51.09%	1,47,21,919	40.89%
Shilpaben P. Patel	51,84,000	14.40%	51,84,000	14.40%
Sagar P. Patel	20,00,000	5.56%	38,88,000	10.80%
Pooja P. Patel	10,00,000	2.78%	25,88,400	7.19%

(d) In the period of preceeding five years as at March 31, 2020:

- Company has issued 24,00,000 Equity Shares of ₹ 10 each fully paid up as bonus shares during the year 2015-16, by utilisation of ₹ 240 Lakhs from surplus, pursuant to a bonus issue approved by shareholders.
- Company has issued 2,56,00,000 Equity Shares of ₹ 10 each fully paid up as bonus shares during the month of September 2016, by utilisation of ₹ 2,560 Lakhs from surplus, pursuant to a bonus issue approved by shareholders.

15 Other equity

Particulars	Reserves & Surplus			Debt	Total
	General Reserve	Securities Premium	Retained Earnings	instruments through OCI	
Balance as at March 31, 2018(A)	936.10	13,488.68	12,261.81	(20.17)	26,666.42
Additions during the year:					
Profit for the year	-	-	9,023.62	-	9,023.62
Remeasurement benefits of defined benefit plans	-	-	(2.10)	-	(2.10)
Total Comprehensive Income for the year 2018-19 (B)	-	-	9,021.52	-	9,021.52
Reductions during the year:					
Realisation of gain/(loss) on investments in debt instruments through OCI	-	-	-	(20.17)	(20.17)
Dividends	-	-	1,800.00	-	1,800.00
Dividend Distribution Tax Paid	-	-	370.00	-	370.00
Total (C)	-	-	2,170.00	(20.17)	2,149.83
Balance as at March 31, 2019 (D) = (A) + (B) - (C)	936.10	13,488.68	19,113.33	-	33,538.11
Additions during the year:					
Profit for the year	-	-	12,926.03	-	12,926.03
Remeasurement benefits of defined benefit plans (Net of Tax)	-	-	(13.14)	-	(13.14)
Total Comprehensive Income for the year 2019-20 (E)	-	-	12,912.89	-	12,912.89
Reductions during the year:					
Dividends*	-	-	3,600.00	-	3,600.00
Dividend Distribution Tax Paid	-	-	739.99	-	739.99
Total (F)	-	-	4,339.99	-	4,339.99
Balance as at March 31, 2020 (G) = (D) + (E) - (F)	936.10	13,488.68	27,686.23	-	42,111.01

* Dividends include final dividend for the year ended 31 March 2019: Rs 5 per share and interim dividend for the year ended 31 March 2020: Rs 5 per share.

Notes to the Standalone Financial Statements

For The Year Ended March 31, 2020

Nature & purpose of other reserves

General Reserve

General reserve is created from time to time by way of transfer profits from retained earning for appropriation purpose.

Securities premium

Securities premium reserve is used to record premium on issue of shares. This reserve is utilised as per the provisions of the Companies Act, 2013.

Debt Instruments through OCI

The company has elected to recognise changes in the fair value of certain investments in debt securities in other comprehensive income. These changes are accumulated within other equity. The transfer amounts from reserves to profit and loss when relevant debt securities are derecognised.

16 Borrowings

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Non - Current		
Secured (At Amortised Cost)		
Term Loans		
From Banks	662.23	168.49
Less: Current Maturities of long term borrowings	(258.54)	(127.62)
Total	403.69	40.87
Current		
Secured (At Amortised Cost)		
Working Capital Loans		
From Banks	6,822.30	2,456.64
Total	6,822.30	2,456.64

Nature of Borrowing	Terms of Repayment	Interest Rate	Nature of Security
Non-current Borrowing	Repayable in	8.20% to 9.50%	Assets acquired
Term loan for Plant, Machinery & Vehicles	35 to 60 equated monthly installments		under term loan
Current Borrowing	Repayable on	7.05% to 11.00%	Refer note below
Working Capital Loans	Demand		

Note:

- (i) Working Capital Loans are secured against Inventory, Book Debts, Plant & Machinery, land and Fixed Deposits held in the name of company and director of the company. Such loans are repayable on demand.
- (ii) All the above credit facilities are guaranteed by Managing Director Mr. Prahaladbhai S. Patel, Wholetime Director Mrs. Shilpaben P Patel, and Executive Director Ms. Pooja P. Patel, and secured against collateral securities held in the name of company and Managing Director Mr. Prahaladbhai S. Patel.

Notes to the Standalone Financial Statements

For The Year Ended March 31, 2020

17 Provisions

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2020	March 31, 2019
Non - Current		
Provision for compensated absences	39.81	-
Provision for Gratuity (Refer Note No. 32)	-	-
Total	39.81	-
Current		
Provision for compensated absences	5.15	-
Provision for Gratuity (Refer Note No. 32)	64.51	31.36
Total	69.66	31.36

18 Trade Payables

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2020	March 31, 2019
Total outstanding dues of micro enterprises and small enterprises	757.37	75.23
Total outstanding dues of creditors other than micro enterprises and small enterprises	20,871.50	15,765.40
Total	21,628.87	15,840.63

19 Other Financial Liabilities

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2020	March 31, 2019
Current maturities of Non-current Borrowings (Refer Note No. 16)	258.54	127.62
Others		
Trade deposits	584.83	609.60
Payable for capital expenditures	150.08	300.43
Other Payables	687.34	133.78
Dividend Distribution Tax Payable	370.00	-
Unpaid dividend*	2.96	0.76
Total	2,053.75	1,172.19

*This figure does not include any amount due and outstanding, to be credited to Investor Education and Protection Fund

20 Other Current Liabilities

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2020	March 31, 2019
Statutory Payables	236.10	1,326.39
Contract Liabilities		
Advance received from Customers	6,459.28	494.72
Amount due to customers	963.73	-
Mobilisation Advance received from Customers	11,454.87	13,510.68
Total	19,113.98	15,331.79

21 Current Tax Liabilities

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2020	March 31, 2019
Current Tax Liabilities (Net)	85.21	1,039.97
Total	85.21	1,039.97

Notes to the Standalone Financial Statements

For The Year Ended March 31, 2020

22 Revenue from Operations

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Revenue from Contracts with Customers	1,49,279.54	1,03,814.32
Other Operating Revenue	646.23	586.93
Total	1,49,925.77	1,04,401.25

23 Other Income

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
a) Interest Income		
On Fixed Deposits	1,678.09	1,681.99
On Investments	19.96	33.96
From Subsidiary & Joint Venture (Refer Note no. 37)	365.58	323.55
Others	134.40	71.94
	2,198.03	2,111.44
b) Dividend income	3.16	3.61
c) Other gains and losses		
Net Gain on Foreign Exchange Fluctuations	238.30	95.71
Net Gain on sale of Property, Plant & Equipment	1.24	1.16
Others	36.80	85.92
	276.34	182.79
Total (a+b+c)	2,477.53	2,297.84

24 Cost of Construction Material Consumed

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Opening Stock	4,650.44	2,296.54
Add: Purchases	55,688.52	45,425.33
	60,338.96	47,721.87
Less: Closing Stock	7,673.03	4,650.44
Total	52,665.93	43,071.43

25 Changes in inventories of Work-In-Progress:

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Inventories at the end of the year:		
Work In Progress	2,010.32	2,849.73
	2,010.32	2,849.73
Inventories at the beginning of the year:		
Work In Progress	2,849.73	1,058.25
	2,849.73	1,058.25
Net (increase) / decrease in Inventories	839.41	(1,791.48)

Notes to the Standalone Financial Statements

For The Year Ended March 31, 2020

26 Construction Expenses

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Labour expenses	28,831.95	21,425.39
Sub-Contracting Expenses	35,550.11	16,783.42
Stores, spares & other consumables	498.72	305.49
Power & Fuel	1,851.67	1,589.93
Site Expenses	288.48	260.71
Machinery Rent	1,969.39	1,833.50
Insurance	255.34	172.64
Repairs & Maintenance:		
Machineries	37.99	58.06
Vehicles	22.71	7.80
Transportation expenses	313.68	239.49
Security Expenses	422.22	239.31
Total	70,042.26	42,915.74

27 Employee benefits expense

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Salaries and Wages	4,285.55	3,003.92
Managerial Remuneration	832.00	822.00
Contributions to Provident Fund and Other Funds	235.08	170.43
Staff Welfare Expenses	591.41	321.47
Total	5,944.04	4,317.82

28 Finance costs

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest costs:		
(i) Interest on		
Term Loan	30.82	25.68
Working Capital Loan	651.42	420.17
(ii) Others	213.56	123.93
Bank Guarantee Charges	399.98	264.63
Other Borrowing costs	168.02	81.64
Total	1,463.80	916.05

29 Depreciation and Amortization Expense

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Depreciation expenses	2,642.60	2,405.96
Amortization expenses	26.57	16.94
Total	2,669.17	2,422.90

Notes to the Standalone Financial Statements

For The Year Ended March 31, 2020

30 Other Expenses

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Rent	260.55	84.26
Rates & Taxes	34.10	12.05
Electricity expenses	14.48	14.37
Insurance	54.87	41.41
Repairs & Maintenance:		
Vehicle	59.72	64.98
Computers	99.77	47.62
Building	0.14	0.05
Printing & Stationery expenses	85.36	55.73
Communication expenses	27.50	29.63
Auditor's Remuneration	16.00	16.00
Legal & Professional expenses	162.87	86.49
Portfolio Management Fees	-	3.47
Directors' Sitting Fees	2.70	2.70
Travelling & Conveyance	74.02	82.54
Advertisement expenses	60.56	26.37
Sponsorship Fees	16.47	25.00
Allowances for Expected Credit Loss	33.00	87.67
Corporate Social Responsibility Expenses	219.24	106.61
Donation	66.15	49.19
Net Loss on PPE written off	-	50.26
Net Loss on sale of Investments	-	45.68
Miscellaneous Expenses	49.00	61.21
Total	1,336.50	993.29

30.1 Remuneration to Auditors

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Payment to Statutory Auditors		
For Audit Fees	16.00	16.00
Total	16.00	16.00

31 Earnings per share (EPS)

(₹ in Lakhs)

Particulars	Unit	Year ended March 31, 2020	Year ended March 31, 2019
(i) Net Profit after Tax attributable to equity holders of the Company	In ₹	12,926.03	9,023.62
(ii) Weighted average number of shares outstanding during the year	In Nos.	3,60,00,000	3,60,00,000
(iii) Basic and Diluted Earnings Per Share ((i)/(ii))	In ₹	35.91	25.07

Notes to the Standalone Financial Statements

For The Year Ended March 31, 2020

32 Employee benefits

[A] Defined contribution plans:

The Company makes contributions towards provident fund to defined contribution retirement benefit plan for qualifying employees. The provident fund contributions are made to Government administered Employees Provident Fund. Both the employees and the Company make monthly contributions to the Provident Fund Plan equal to a specified percentage of the covered employee's salary.

Contribution to Defined Contribution Plan, recognized as expenses during the year is as under:

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2020	Year ended March 31, 2019
Contribution to Labour Welfare Fund	0.32	0.23
Contribution to Employee State Insurance Corporation Fund	43.81	47.08
Contribution to Provident Fund	130.98	80.09
Total	175.11	127.40

[B] Defined benefit plan:

The Company has a defined benefit gratuity plan in India (partially funded) for employees, who have completed five years or more of service is entitled to gratuity on termination of their employment at 15 days last drawn salary for each completed year of service. Further, the plan requires contributions to be made to a separately administered fund. The fund is managed by a trust which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy.

Gratuity is a defined benefit plan and company is exposed to the Following Risks:

Investment risk:

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Interest risk:

A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Longevity risk:

Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Salary risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Notes to the Standalone Financial Statements

For The Year Ended March 31, 2020

The following table sets out the status of the gratuity plan and the amounts recognised in the Company's standalone financial statements as at March 31, 2020

a) Reconciliation in present value of defined benefit obligation:

(₹ in Lakhs)		
Particulars	2019-20	2018-19
Defined benefit obligations as at beginning of the year	218.51	165.66
Current service cost	58.15	39.29
Past service cost	-	-
Interest cost	17.02	13.00
Actuarial (Gains)/Losses	13.67	3.02
Benefits paid	(2.76)	(2.46)
Defined benefit obligations as at end of the year	304.59	218.51

b) Reconciliation of fair value of Plan Assets

(₹ in Lakhs)		
Particulars	2019-20	2018-19
Fair Value of Plan Assets at the Beginning of the Year	187.15	112.67
Contributions by the Employer	45.00	67.17
Interest Income	14.58	8.84
Benefit Paid from the Fund	(2.76)	(2.45)
Return on Plan Assets, Excluding Interest Income	(3.89)	0.92
Fair Value of Plan Assets at the End of the Year	240.08	187.15

c) Amount recognised in balance sheet

(₹ in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
PVO at the end of year	304.59	218.51
Fair value of planned assets at end of year-Insurance Fund	240.08	187.15
Funded status - Deficit	(64.51)	(31.36)
Net asset/(liability) recognised in the balance sheet	(64.51)	(31.36)

d) Amount recognised in Statement of Profit and Loss:

(₹ in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
Current service cost	58.15	39.29
Interest cost	2.44	4.16
Past service cost	-	-
Total	60.59	43.45

e) Amount recognised in Other Comprehensive Income Remeasurements:

(₹ in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
Actuarial (Gains)/ Losses	13.67	3.02
Return on Plan Assets, Excluding Interest Income	3.89	(0.92)
Total	17.56	2.10

Notes to the Standalone Financial Statements

For The Year Ended March 31, 2020

f) Principal assumptions used in determining defined benefit obligations for the company

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2020	March 31, 2019
Expected Return on Plan Assets (% per annum)	6.82%	7.79%
Discount rate (% per annum)	6.82%	7.79%
Salary escalation rate (% per annum)	2% p.a for next 1 years, 7% p.a thereafter, starting from 2nd year.	7.00%
Employee attrition rate (% per annum)	For service 4 year and below 12.00% p.a. For service 5 year and above 3.00% p.a.	For ages 4 year and below 12.00% p.a. For ages 5 year and above 3.00% p.a.
Mortality Rate (% per annum)	Indian Assured Lives Mortality (2006-08)	
Normal Retirement Age (In Years)	58	58
Average Future Service (In Years)	18	18

Note 1: Discount rate is determined by reference to market yields at the balance sheet date on Government bonds, where the currency and terms of the Government bonds are consistent with the currency and estimated terms for the benefit obligation.

Note 2: The estimate of future salary increases taken into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

g) Expected Cash flow of Maturity Profile for following years of Defined Benefit Obligations:

Particulars	As at March 31, 2020		As at March 31, 2019	
	Amount in ₹	% to DBO	Amount in ₹	% to DBO
Year 1	15.49	5.09%	9.44	4.32%
Year 2	28.96	9.51%	9.75	4.46%
Year 3	11.21	3.68%	26.92	12.32%
Year 4	13.49	4.43%	9.66	4.42%
Year 5	15.45	5.07%	11.64	5.33%
Year 6 to 10	113.9	37.39%	86.74	39.70%
Year 11 and above	642.16	210.83%	523.54	239.60%

h) Sensitivity analysis:

Scenario	As at March 31, 2020		As at March 31, 2019	
	DBO	Change	DBO	Change
Under Base Scenario				
Discount Rates - Up by 1 %	(31.68)	-10.40%	(21.45)	-9.82%
Discount Rates - Down by 1 %	38.40	12.61%	25.77	11.79%
Salary Escalation - Up by 1 %	35.07	11.51%	23.33	10.68%
Salary Escalation - Down by 1 %	(29.78)	-9.78%	(19.81)	-9.07%
Withdrawal Rates - Up by 1 %	(1.26)	-0.41%	(19.81)	-9.07%
Withdrawal Rates - Down by 1 %	1.23	0.40%	1.22	0.56%

Notes to the Standalone Financial Statements

For The Year Ended March 31, 2020

i) Category of Assets:

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Insurance Fund	240.08	187.15

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's standalone financial statements as at balance sheet date:

(₹ in Lakhs)

Total Employee Benefit Liabilities	Note	As at March 31, 2020	As at March 31, 2019
Provisions	17	64.51	31.36

33 Tax Expense

(a) Amounts recognised in profit and loss

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Current Tax Expense (A)		
Current year	4,608.22	5,143.16
Deferred Tax Expense (B)		
Origination and reversal of temporary differences	(92.06)	(313.44)
Tax Expense recognised in the income statement (A+B)	4,516.16	4,829.72

(b) Amounts recognised in other comprehensive income

Particulars	For the year ended March 31, 2020			For the year ended March 31, 2019		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit plans	(17.56)	4.42	(13.14)	(2.10)	-	(2.10)
	(17.56)	4.42	(13.14)	(2.10)	-	(2.10)

(c) Reconciliation of effective tax rate

Particulars	Year ended March 31, 2020		Year ended March 31, 2019	
	%	Amount	%	Amount
Profit Before Tax		17,442.19		13,853.34
Tax using the Company's domestic tax rate	25.17%	4,389.85	34.94%	4,840.91
Tax effect of:				
Effect of Expenses that are not deductible in determining taxable profit	4.80%	836.63	7.55%	1,046.56
Effect of income that is exempt from taxation	-0.04%	(7.46)	-0.03%	(3.73)
Effect of Expenses that are deductible in determining taxable profit	-3.50%	(610.79)	-5.35%	(740.58)
Effect of change in tax rate (Refer below Note)	0.94%	164.51		
Others	-1.47%	(256.57)	-2.26%	(313.44)
Effective income tax rate/Income tax expense	25.89%	4,516.16	34.86%	4,829.72

Notes to the Standalone Financial Statements

For The Year Ended March 31, 2020

The Company has elected to exercise the option permitted under section 115BAA of the Income Tax Act - 1961 as introduced by the Taxation Laws (Amendment) Ordinance 2019. Accordingly, the Company has recognised tax expenses for the year ended March 31, 2020 and re-measured its deferred tax assets basis the rate prescribed in the said section. Profit for the year is lower by INR 164.51 lakhs due to remeasurement of deferred tax assets recognised upto March 31, 2019.

34 Fair value measurement hierarchy:

Particulars	As at March 31, 2020						
	Carrying amount	Amortised Cost	FVTOCI	FVTPL	Level of input used in		
					Level 1	Level 2	Level 3
Financial assets							
Investments*	21.09	21.09	-	-	-	-	-
Loans	3,942.63	3,942.63	-	-	-	-	-
Trade receivables	22,400.00	22,400.00	-	-	-	-	-
Cash and cash equivalents and Other Bank Balances	19,673.33	19,673.33	-	-	-	-	-
Other financial assets	24,759.93	24,759.93	-	-	-	-	-
	70,796.98	70,796.98	-	-	-	-	-
Financial liabilities							
Borrowings	7,225.99	7,225.99	-	-	-	-	-
Trade payables	21,628.87	21,628.87	-	-	-	-	-
Other Financial liabilities	2,053.75	2,053.75	-	-	-	-	-
	30,908.61	30,908.61	-	-	-	-	-

* Exclude investment in subsidiaries and joint venture amounting to ₹ 421.28 lakhs as it is carried at cost.

Particulars	As at March 31, 2019						
	Carrying amount	Amortised Cost	FVTOCI	FVTPL	Level of input used in		
					Level 1	Level 2	Level 3
Financial assets							
Investments*	21.09	21.09	-	-	-	-	-
Loans	3,964.69	3,964.69	-	-	-	-	-
Trade receivables	14,257.16	14,257.16	-	-	-	-	-
Cash and cash equivalents and Other Bank Balances	22,170.29	22,170.29	-	-	-	-	-
Other financial assets	10,826.57	10,826.57	-	-	-	-	-
	51,239.80	51,239.80	-	-	-	-	-
Financial liabilities							
Borrowings	2,497.51	2,497.51	-	-	-	-	-
Trade payables	15,840.63	15,840.63	-	-	-	-	-
Other Financial liabilities	1,172.19	1,172.19	-	-	-	-	-
	19,510.33	19,510.33	-	-	-	-	-

* Exclude investment in subsidiaries and joint venture amounting to ₹ 421.28 lakhs as it is carried at cost.

The financial instruments are categorised into three levels based on the inputs used to arrive at fair value measurements as described below:

- Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes Mutual Fund and Debt instruments that have quoted on exchanges. The same are valued at that Market Value only.

Notes to the Standalone Financial Statements

For The Year Ended March 31, 2020

- ii) **Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. In the case of Derivative contracts, the Company has valued the same using the forward exchange rate as at the reporting date.
- iii) **Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3. The Company owns unlisted equity shares in companies, which are non-profit companies providing facilities for treating effluents generated during its manufacturing process. In the absence of any observable market data in relation to the said companies, the same have been categorised as Level 3. Considering the objective of investment and materiality, its fair value have been determined based on its book value as at the reporting date.

35 Capital Management:

The primary objective of capital management of the Company is to maximise Shareholder value. The Company monitors capital using Debt-Equity ratio which is total debt divided by total equity. For the purposes of capital management, the Company considers the following components of its Balance Sheet to manage capital.

Total equity includes General reserve, Retained earnings, Share capital and Security premium. Total debt includes current debt plus non-current debt.

The gearing ratio at the end of the reporting period are as under:

Particulars	(₹ in Lakhs)	
	As at March 31, 2020	As at March 31, 2019
Non-current borrowing	662.23	168.49
Current borrowing	6,822.30	2,456.64
Total Debt	7,484.53	2,625.13
Total equity	45,711.01	37,138.11
Adjusted net debt to adjusted equity ratio	0.16	0.07

36 Financial risk management

Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The audit committee oversees how the management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted by internal audit. Internal audit undertakes both regular and ad hoc review of risk management controls and procedures, the results of which are reported to the audit committee.

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

- A) Credit risk;
- B) Liquidity risk;
- C) Market risk; and
- D) Interest rate risk

Notes to the Standalone Financial Statements

For The Year Ended March 31, 2020

A. Credit risk

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

Trade receivables

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

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

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

Movement in Expected Credit Loss Allowance

Particulars	(₹ in Lakhs)	
	As at March 31, 2020	As at March 31, 2019
Opening Expected Credit Loss Allowance	129.36	41.69
Add: Additional provision made	33.00	87.67
Less: Reversal of provision	-	-
Closing provision	162.36	129.36

Other financial assets

The Company maintains exposure in cash and cash equivalents, term deposits with banks and loans to subsidiary companies. The Company has diversified portfolio of investment with various number of counterparties which have secure credit ratings hence the risk is reduced. Cumulative allocation limits are set for each category of asset class. Credit limits and concentration of exposures are actively monitored by the finance department of the Company.

B. Liquidity risk

The principal sources of liquidity of the Company are cash and cash equivalents, borrowings and the cash flow that is generated from operations. The Company believes that current cash and cash equivalents, tied up borrowing lines and cash flow that is generated from operations is sufficient to meet requirements. Accordingly, liquidity risk is perceived to be low. The following table shows the maturity analysis of financial liabilities of the Company based on contractually agreed undiscounted cash flows as at the Balance Sheet date:

As at March 31, 2020

Particulars	Note No.	(₹ in Lakhs)			Total
		Carrying Amount	Less than 12 months	More than 12 months	
Non-current Borrowings (Incl. current maturities)	16	662.23	258.54	403.69	662.23
Current Borrowings	16	6,822.30	6,822.30	-	6,822.30
Trade Payables	18	21,628.87	21,628.87	-	21,628.87
Other Financial Liabilities	19	1,795.21	1,795.21	-	1,795.21
Total		30,908.61	30,504.92	403.69	30,908.61

As at March 31, 2019

Particulars	Note No.	(₹ in Lakhs)			Total
		Carrying Amount	Less than 12 months	More than 12 months	
Non-current Borrowings (Incl. current maturities)	16	168.49	127.62	40.87	168.49
Current Borrowings	16	2,456.64	2,456.64	-	2,456.64
Trade Payables	18	15,840.63	15,840.63	-	15,840.63
Other Financial Liabilities	19	1,044.57	1,044.57	-	1,044.57
Total		19,510.33	19,469.46	40.87	19,510.33

Notes to the Standalone Financial Statements

For The Year Ended March 31, 2020

C Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales and purchases are denominated. The functional currency for the Company is INR. The currencies in which these transactions are primarily denominated is US dollars.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Particulars	(Amt in Lakhs)	
	Assets (USD)	
	As at March 31, 2020	As at March 31, 2019
Loans	38.35	35.01

Particulars	(Amt in Lakhs)	
	Assets (INR)	
	As at March 31, 2020	As at March 31, 2019
Loans	2,891.03	2,421.42

Foreign currency sensitivity analysis

The Company is mainly exposed to the currency : USD

The following table details the Company's sensitivity to a 5% increase and decrease in the Rupee against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. This is mainly attributable to the net exposure outstanding on receivables or payables in the Company at the end of the reporting period. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rate. A positive number below indicates an increase in the profit or equity where the Rupee strengthens by 5% against the relevant currency. For a 5% weakening of the Rupee against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be negative.

Impact on profit or loss and total equity

Particulars	(Amt in Lakhs)	
	Impact in USD	
	As at March 31, 2020	As at March 31, 2019
Increase in exchange rate by 5%	1.92	1.75
Decrease in exchange rate by 5%	(1.92)	(1.75)

D Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company seeks to mitigate such risk by maintaining an adequate proportion of floating and fixed interest rate borrowings. Summary of financial assets and financial liabilities has been provided below:

Notes to the Standalone Financial Statements

For The Year Ended March 31, 2020

Exposure to interest rate risk

The interest rate profile of the Company's interest - bearing financial instrument as reported to management is as follows:

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Fixed-rate instruments		
Financial Assets	3,942.63	3,964.69
Financial Liabilities	662.23	168.49
Variable-rate instruments		
Financial Assets	-	-
Financial Liabilities	6,822.30	2,456.64

Interest rate sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of change in interest rates. The following table demonstrates the sensitivity of floating rate financial instruments to a reasonably possible change in interest rates. The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

Impact on Profit / (loss) after tax

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Increase in 100 basis points	(51.05)	(15.98)
Decrease in 100 basis points	51.05	15.98

37 Related party transactions

Related Party Disclosures:

(i) Names of the related parties and description of relationship

As per the Indian Accounting Standard-24 on "Related Party Disclosures", list of related parties identified of the Company are as follows.

(a) Subsidiary/Associate/Joint Venture

Name of the entity	Type
PSP Projects & Proactive Constructions Private Limited	Subsidiary
PSP Projects INC	Foreign Subsidiary
M/s. GDCL and PSP Joint Venture	Joint Venture
P & J Builders LLC	Step down Foreign Joint Venture - Level-I
PSP Fremont LLC	Step down Foreign Joint Venture - Level-I
Guttenberg Projects LLC	Step down Foreign Joint Venture - Level-II

Notes to the Standalone Financial Statements

For The Year Ended March 31, 2020

(b) Key Management Personnel & Relatives

Name of the Key Management Personnel	Status
Mr. Prahaladbhai S. Patel	Chairman & Managing Director
Mrs. Shilpaben P. Patel	Whole Time Director
Ms. Pooja P. Patel	Executive Director
Mr. Sagar P. Patel	Executive Director (From October 22, 2019)
Mr. Chirag Narendra Shah	Independent Director
Mr. Sandeep Himmatlal Shah	Independent Director
Mr. Vasishtha Pramodbhai Patel	Independent Director
Mrs. Zarana Pratik Patel	Independent Director (From October 22, 2019)
Mrs. Hetal Patel	Chief Financial Officer
Ms. Mittali Christachary	Company Secretary
Name of the Relative	Relation
Dinubhai Patel	Brother of Chairman & Managing Director

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

Name of the Entities	
PSP Properties Private Limited (Formerly Known as PSP Products Private Limited)	
Sprybit Softlabs LLP	M/s. A P Constructions
Shilp Products LLP	M/s. SIM Developers

(ii) Transactions with related parties:

Particulars	(₹ in Lakhs)	
	2019-20	2018-19
Purchase of Material / Concrete Mix		
PSP Projects & Proactive Constructions Pvt. Ltd.	-	64.47
Purchase of Assets - Land, Building, Plant & Machinery, Vehicle, Computers & Intangible Assets		
PSP Projects & Proactive Constructions Pvt. Ltd.	1.50	95.88
Rendering Services		
PSP Projects & Proactive Constructions Pvt. Ltd.	0.69	228.38
Interest Income		
PSP Projects Inc.	181.95	150.14
M/s. GDCL and PSP Joint Venture	133.63	156.20
PSP Projects & Proactive Constructions Pvt. Ltd.	50.00	17.21
Receipt of Services		
M/s. A P Constructions	901.04	841.16
Dinubhai Patel	25.00	24.75
Sprybit Softlabs LLP	4.92	-
Prahaladbhai S. Patel	53.72	50.89
Sale of Concrete Mix		
M/s. SIM Developers	-	8.07
PSP Projects & Proactive Constructions Pvt. Ltd.	-	114.52
M/s. GDCL and PSP Joint Venture	4.64	-
Shilp Products LLP	13.33	-
Reimbursements of Expenses		
M/s. GDCL and PSP Joint Venture	10.34	(0.67)

Notes to the Standalone Financial Statements

For The Year Ended March 31, 2020

(₹ in Lakhs)

Particulars	2019-20	2018-19
Share of Profit/ (Loss) from Partnership Firm		
M/s. GDCL and PSP Joint Venture	28.41	9.08
Director's Sitting Fees Paid		
Chirag Narendra Shah	0.75	0.90
Sandeep Himmatlal Shah	0.75	0.90
Vasishtha Pramodbhai Patel	0.90	0.90
Mrs. Zarana Pratik Patel	0.30	-
Remuneration		
Prahaladbhai S. Patel	540.00	540.00
Shilpaben P. Patel	180.00	180.00
Pooja P. Patel	102.00	102.00
Sagar P. Patel	11.87	1.75
Hetal Patel	25.23	21.58
Mittali Christachary	6.72	5.34
Loan Given / (Repaid)		
PSP Projects Inc.	365.54	532.77
M/s. GDCL and PSP Joint Venture (Net)	(404.50)	620.00
PSP Projects & Proactive Constructions Pvt. Ltd. (Net)	-	500.00

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

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Investment		
PSP Projects & Proactive Constructions Pvt. Ltd.	370.00	370.00
PSP Projects Inc.	6.69	6.69
M/s. GDCL and PSP Joint Venture	44.59	44.59
Trade Receivables		
PSP Projects & Proactive Constructions Pvt. Ltd.	-	75.02
M/s. SIM Developers	-	0.04
Loans		
PSP Projects Inc.	2,751.59	2,386.41
M/s. GDCL and PSP Joint Venture	773.00	1,177.50
M/s. GDCL and PSP Joint Venture (Cr. Balance in current capital)	(109.56)	(143.33)
PSP Projects & Proactive Constructions Pvt. Ltd.	500.00	500.00
Trade Payables		
M/s. A P Constructions	80.55	138.09
Dinubhai Patel	6.25	7.52
Other Financial Assets (Interest Receivable)		
PSP Projects & Proactive Constructions Private Limited	45.00	-
M/s. GDCL and PSP Joint Venture	301.83	173.55
PSP Projects Inc.	139.44	35.01

Notes to the Standalone Financial Statements

For The Year Ended March 31, 2020

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2020	March 31, 2019
Remuneration Payable		
Prahaladbhai S. Patel	24.65	28.85
Shilpaben P. Patel	9.35	7.94
Pooja P. Patel	5.48	5.85
Sagar P. Patel	1.67	0.21
Hetal Patel	1.82	1.22
Mittali Christachary	0.53	0.40

(iv) Terms and conditions

- Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.
- All the credit facilities of ₹ 61,000 Lakhs and Term Loan of ₹ 662.23 Lakhs as on 31.03.2020 are guaranteed by Managing Director Mr. Prahaladbhai S. Patel, Whole-time Director Mrs. Shilpaben P Patel, and Executive Director Ms. Pooja P. Patel, and secured against collateral securities held in the name of company and Managing Director Mr. Prahaladbhai S. Patel.

38 Contingent Liabilities and Capital Commitments

(i) Contingent Liabilities:

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2020	March 31, 2019
Claims against Company not acknowledged as debt		
- Tax matters in dispute under appeal*	10.95	166.72
- Dispute in relation to the payment of wages	15.77	11.39
Bank guarantees for Performance, Earnest Money & Security Deposits**	40,418.43	33,828.20
Total	40,445.15	34,006.31

* The above matters are currently being considered by the tax authorities with various forums and the Company expects the judgement will be in its favour and has therefore, not recognised the provision in relation to these claims.

** includes bank guarantees of ₹ 656.23 Lakhs (March 31, 2019 ₹ 656.23 Lakhs) given on behalf of joint venture.

(ii) Capital Commitments:

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2020	March 31, 2019
Estimated amount of contracts remaining to be executed on capital account and not provided for Property, Plant & Equipment (net of advances)	35.42	30.50
Total	35.42	30.50

39 Revenue from contracts with customers (Disclosure as per Ind AS 115)

(a) Disaggregation of revenue from contracts with customers

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

(₹ in Lakhs)

Particulars	Year ended	Year ended
	March 31, 2020	March 31, 2019
India	1,49,279.54	1,03,814.32

Notes to the Standalone Financial Statements

For The Year Ended March 31, 2020

(b) Contract balances

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

Particulars	(₹ in Lakhs)	
	As at March 31, 2020	As at March 31, 2019
Trade Receivables	22,400.00	14,257.16
Contract assets		
Retention money receivable from customers	6,703.88	4,748.66
Amount due from customers	11,594.73	2,300.10
Contract liabilities		
Advance received from Customers	17,914.15	14,005.40
Amount due to customers	963.73	-

A contract asset is Company's right to consideration for work completed but not billed at the reporting date and a right to consideration that is conditioned on achievement of milestone specified in the contract excluding any amounts presented as a receivable. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Company issues an invoice to the customer or milestones are achieved as specified in the contract. The contract liabilities primarily relate to the advance consideration received from customers for construction for which revenue is recognised over time.

Amounts due from contract customers represents the gross unbilled amount expected to be collected from customers for contract work performed till date. It is measured at cost plus profit recognised till date less progress billings and recognised losses when incurred.

Amounts due to contract customers represents the excess of progressive billings over the revenue recognised (cost plus attributable profits) for the contract work performed till date.

Significant changes in contract asset and contract liabilities balances during the year are as follows :

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2020	
Due from contract customers		
At the beginning of the reporting period		2,300.10
Cost incurred plus attributable profits on contracts-in-progress		1,51,082.12
Progressive billings made towards contracts-in-progress		1,41,787.49
Due from contract customers impaired during the reporting period		-
Significant changes due to other reasons		-
At the end of the reporting period		11,594.73

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2020	
Due to contract customers		
At the beginning of the reporting period		-
Cost incurred plus attributable profits on contracts-in-progress		2,472.00
Progressive billings made towards contracts-in-progress		3,435.73
Due to contract customers impaired during the reporting period		-
Significant changes due to other reasons		-
At the end of the reporting period		(963.73)

(c) Movement of Expected Credit Loss during the year :

In March 2020, ₹ 33.00 lakhs (March 2019, ₹ 87.67 lakhs) was recognised as provision for expected credit losses on Trade Receivables.

Notes to the Standalone Financial Statements

For The Year Ended March 31, 2020

(d) Performance obligation

The Company recognises revenue from contracts with customers when it satisfies a performance obligation by transferring promised good or service to a customer. The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Performance obligation is satisfied over time when the transfer of control of asset (good or service) to a customer is done over time and in other cases, performance obligation is satisfied at a point in time. For performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation.

For contracts where the aggregate of contract cost incurred to date plus recognised profits (or minus recognised losses as the case may be) exceeds the progress billing, the surplus is shown as contract asset and termed as "Due from customers". For contracts where progress billing exceeds the aggregate of contract costs incurred to-date plus recognised profits (or minus recognised losses, as the case may be), the surplus is shown as contract liability and termed as "Due to customers". Amounts received before the related work is performed are disclosed in the Balance Sheet as contract liability and termed as "Advances from customer". The amounts billed on customer for work performed and are unconditionally due for payment i.e. only passage of time is required before payment falls due, are disclosed in the Balance Sheet as trade receivables. The amount of retention money held by the customers pending completion of performance milestone is disclosed as part of contract asset and is reclassified as trade receivables when it becomes due for payment.

The aggregate value of performance obligations that are completely or partially unsatisfied as at 31 March 2020 is ₹ 3,07,356 lakhs.

The revenue recognition mainly depends on meeting the delivery schedules, contractual terms and conditions with customers, availability of customer sites, changes in scope, variation in prices etc. In view of these, it is not practical to define the accurate percentage of conversion to revenue on yearly basis. However, a tentative bifurcation of remaining performance obligation within next 3 years is as follows :

(₹ in Lakhs)			
Particulars	Mar-21	Mar-22	Mar-23
Contract revenue	1,08,972	1,55,769	42,615

(e) Reconciliation of revenue recognised in the Statement of Profit and Loss

(₹ in Lakhs)		
Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Contract price of the revenue recognised	1,49,279.54	1,03,814.32
Add : Performance Bonus	-	-
Add : Incentives	-	-
Less : Liquidated damages	-	-
Revenue recognised in the statement of Profit and Loss	1,49,279.54	1,03,814.32

40 Disclosure of Creditors outstanding under MSMED Act, 2006

Disclosure of sundry creditors under current liabilities is based on the information available with the Company regarding the status of the suppliers as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" (the Act). There are no delays in payment made to such suppliers and there is no overdue amount outstanding as at the Balance sheet date.

(₹ in Lakhs)			
Sr. No.	Particulars	As at March 31, 2020	As at March 31, 2019
a)	i) Principal amount remaining unpaid to supplier under the MSMED Act 2006	757.37	75.23
	ii) Interest on a) (i) above	0.43	0.07
b)	The amount of interest paid by the Company in terms of section 16 of the MSMED, along with amount of payment made to the supplier beyond the appointed date during the accounting year.	-	-
c)	The amount of interest accrued and remaining unpaid at the end of the financial year	0.43	0.07
d)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding interest specified under MSMED."	-	-
e)	The amount of further interest remaining due and payable even in the succeeding year	-	-

Notes to the Standalone Financial Statements

For The Year Ended March 31, 2020

41 Segment Information

There are no separate reportable segments as per Ind AS 108 as the entire operations of the company relate to single segment, viz Constructions / Project activities.

42 Corporate Social Responsibility (CSR) Expenditure

(a) CSR amount required to be spent by the Company as per Section 135 of the Companies Act, 2013 is ₹ 204.22 Lakhs for the year 2019-20. (P.Y. ₹ 136.77 Lakhs).

(b) Expenditure related to CSR is ₹ 219.24 Lakhs (P.Y. ₹ 106.61 Lakhs), details of the same is as under:

Particulars	For the year ended March 31, 2020			For the year ended March 31, 2019		
	Paid in cash	Yet to be paid in cash	Total	Paid in cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	190.84	-	190.84	-	-	-
(ii) Purposes other than (i) above	28.40	-	28.40	106.61	-	106.61
Total	219.24	-	219.24	106.61	-	106.61

43 Standards Issued but not yet effective:

As at the date of issue of standalone financial statements, there are no new standards or amendments which have been notified by the MCA but not yet adopted by the Company. Hence, the disclosure is not applicable.

44 COVID-19 Estimation uncertainty:

The outbreak of COVID-19 pandemic globally and in India is causing significant disturbance and slowdown of economic activity. COVID-19 has significantly impacted business operations of the Company, from the last fortnight of March 2020 by way of disruption in construction activities, supply chain disruption, unavailability of labour, etc. Partial resumption of construction activities have commenced at some project sites in April 2020 and the Company expects to be near normal in business by Q2 FY2020-21. The Company has made detailed assessment of its liquidity position for the next year and the recoverability of the Company's assets such as Trade receivables, Unbilled revenue, Investments, Inventories, Advances, etc as at the Balance Sheet date, using reasonably available information, estimates and judgements, and has determined none of these balances requires a material adjustment to their carrying value. The impact of COVID-19 may be different from that estimated as at the date of approval of these standalone financial statements and the Company will continue to closely monitor the developments.

45 Approval of Standalone Financial Statements:

The standalone financial statements are approved for issue by the Audit Committee and Board of Directors at their meetings held on June 9, 2020.

46 The figures of previous year have been regrouped/reclassified wherever necessary, to conform to the current year's classification.

In terms of our report attached

For **Kantilal Patel & Co.**
Chartered Accountants
ICAI Firm Reg. No. : 104744W

For and on behalf of the Board of Directors

Jinal A. Patel
Partner
Membership No. : 153599

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

Shilpaben P. Patel
Whole Time Director
(DIN: 02261534)

For **Riddhi P. Sheth & Co.**
Chartered Accountants
ICAI Firm Reg. No. : 140190W

Riddhi P. Sheth
Proprietor
Membership No. : 159123

Hetal Patel
Chief Financial Officer

Mittali Christachary
Company Secretary

Place : Ahmedabad
Date : June 09, 2020

Place : Ahmedabad
Date : June 09, 2020

Independent Auditor's Report

To the members of
PSP Projects Limited

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of PSP Projects Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding company and its subsidiaries together referred to as "the Group") and its joint venture which comprise the Consolidated Balance Sheet as at March 31 2020, the Consolidated Statement of Profit and Loss (including the Statement of Other Comprehensive Income), the Consolidated Statement of Cash flows and the Consolidated Statement of Changes in Equity for the year ended on that date, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries and joint venture as were audited by the other auditors, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the Consolidated state of affairs of the Group and its joint venture as at March 31, 2020, the Consolidated profit, Consolidated total comprehensive income, Consolidated changes in equity and its Consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the 'Auditors' Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group and its joint venture in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained and evidence obtained by the other auditors in terms of their reports referred to in the 'Other Matters' paragraph below, is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statements.

Emphasis of Matter

We draw attention to Note 47 of the Consolidated Financial Statements, as regards the Board of Directors' evaluation of COVID-19 impact on the future performance of the Group. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements for the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matters	How our audit addressed the Key Audit Matter
<p>Revenue Recognition and Trade Receivables</p> <p>There are significant accounting judgements including estimation of costs to complete, determining the stage of completion and the timing of revenue recognition.</p> <p>The Group recognises revenue and profit/loss on the basis of stage of completion based on the proportion of contract costs incurred at balance sheet date.</p> <p>The accounting standard requires an entity to select a single measurement method for the relevant performance obligation that depicts the entity's performance in transferring goods or services or if a contract is onerous, present obligations are recognized and measured as provisions.</p>	<p>Our procedures included :</p> <ul style="list-style-type: none"> – Testing of the design and implementation of controls involved for the determination of the estimates used as well as their operating effectiveness; – We selected a sample of contracts to test, using a risk based criteria which included individual contracts with: <ul style="list-style-type: none"> – significant revenue recognised during the year or – significant accrued value of work done balances held at the year-end; – Obtained an understanding of management's process for reviewing long term contracts, the risk associated with the contract and any key judgments.

Key audit matters	How our audit addressed the Key Audit Matter
<p>We identified contract accounting as a key audit matter because the estimation, of the total revenue and total cost to complete the contract, prepared based on the prevailing circumstances, is inherently subjective, complex and require significant management judgment and forecast of contract revenue and/or contract cost may get subsequently changed due to change in prevailing circumstances, assumptions, contract variations or any other factor, and could result in material variance in the revenue and profit or loss from contract for the reporting period.</p> <p>Receivables has been considered a key audit matter in the current year due to the significance of the amount and element of judgement involved in overall management assessment of the customers' ability to repay the outstanding balance during COVID 19 disruption.</p> <p>Refer to note number 2.17, 12 and 40 of the Consolidated Financial Statements</p>	<ul style="list-style-type: none"> – Evaluated the design and implementation of key internal controls over the contract revenue and cost estimation process through the combination of procedures involving inquiry and observations, reperformance and inspection of evidence in respect of operations of these controls. – Verified underlying documents such as original contract, and its amendments, if any, key contract terms and milestones, etc. for verifying the estimation of contract revenue and costs and/ or any change in such estimation. – Inquired with management on the progress of works and collections from customers to identify specific customers with which the Group might have disagreements or disputes. – Tested samples of un-invoiced revenue entries with reference to the reports from the records and costs incurred against the services delivered to confirm the work performed and application of appropriate margin applied for the respective services. – Tested cut-offs for revenue recognized against un-invoiced amounts by matching the revenue accrual against accruals for corresponding cost; – Reviewed the work done and collection history of customers against whose contracts unbilled revenue is recognised; and verification of subsequent receipts, post balance sheet date. – Obtained confirmations from customers on sample basis to support existence assertion of trade receivables and assessed the relevant disclosures made in the Consolidated Financial Statements; to ensure revenue from contracts with customers are in accordance with the requirements of relevant accounting standards. – Evaluated the nature and status of customers and obtained the understanding from management about whether ongoing business relationship with the customers, past payment history of customers and any impact on those customers because of COVID 19 pandemic. – Reviewed the Liquidated damages clause or force majeure clause of the contracts with the customers to evaluate the potential impact on the Consolidated Financial Statements.

Information Other than the Consolidated Financial Statements and Auditors' Report Thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Consolidated Financial Statements and our auditors' report thereon. The other information is expected to be made available to us after the date of this auditors' report.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and,

in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed and based on the work done/ audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditors' responsibilities Relating to other information'.

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these Consolidated Financial Statements that give a

true and fair view of the consolidated state of affairs, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its joint venture in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its joint venture are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each 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 Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group and of its joint venture are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and its joint venture or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its joint venture is also responsible for overseeing the financial reporting process of each company

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

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

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

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to Consolidated Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group and its joint venture to express an opinion on the Consolidated Financial Statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of financial information of such entities. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub-paragraphs (a) and (b) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements for the financial year ended March 31, 2020, and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

- 1) The Consolidated Financial Statements includes the audited financial statements/financial results/financial information of:
 - a) 1 (one) subsidiary, whose financial statements reflects total assets (before consolidation adjustments) of INR. 1,358.71 lakh as at March 31, 2020, total revenue (before consolidation adjustments), of INR 24.55 lakh and total net loss after tax (before consolidation adjustments) of INR 64.20 lakh and net cash outflows of INR 1.27 lakh for the year ended March 31, 2020, which has been audited by its independent auditor.
 - b) 1 (one) joint venture, whose financial statements include the Group's share of net profit of INR 28.41 lakh for the year ended March 31, 2020, which has been audited by its independent auditor.

The independent auditors' report on the financial statements of these entities have been furnished to us by the Management of the Holding Company and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us are as stated in the paragraph above.

- 2) The accompanying Consolidated Financial Statements includes the unaudited financial statements and other unaudited financial information of 1 (one) subsidiary, whose financial statements and other financial information reflects total assets (before consolidation adjustments) of INR 2783.20 lakh as at March 31, 2020, total revenue (before consolidation adjustments) of INR 173.96 lakh and total net loss after tax (before consolidation adjustments) of INR 30.91 lakh and net cash outflows of INR 37.77 lakh for

the year ended March 31, 2020. These unaudited financial statements and other unaudited financial information has been approved and furnished to us by the Management of the Holding Company and our opinion, in-so far as it relates to the amounts and disclosures included in respect of this entity, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management of the Holding Company, these financial statements and other financial information are not material to the Group.

Our opinion above on the Consolidated Financial Statements and our report on Other Legal and Regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and financial information certified by the Management of the Holding Company.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of other auditors on the separate financial statements and other financial information of the subsidiaries and joint ventures, referred to in the Other Matters section above we report to the extent applicable, that:
 - (a) We/ the other auditors whose reports we have relied upon 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 of the aforesaid Consolidated Financial Statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
 - (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS 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 of the Holding Company as on March 31, 2020 taken on record by the Board of Directors of the Holding Company and its subsidiaries incorporated in India and the reports of the statutory auditors of its

subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

- (f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls with reference to these Consolidated Financial Statements of the Holding Company and its subsidiaries incorporated in India, refer to our separate Report in "Annexure A" to this report;
- (g) In our opinion and according to the information and explanations given to us and based on the consideration of reports of statutory auditors of such subsidiary company incorporated in India, the remuneration paid/provided during the current year by the Holding Company, its subsidiary company to its directors is in accordance with the provisions of Section 197 read with Schedule V to the Act.

- (h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and joint venture, as noted in the 'Other Matters' paragraph:
 - i. The Consolidated Financial Statements disclose impact of pending litigations on the consolidated financial position of the Group and its joint venture - Refer Note 39 to the Consolidated Financial Statements.
 - ii. The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company.

For **Kantilal Patel & Co.**
Chartered Accountants
ICAI Firm registration number: 104744W

Jinal A. Patel
Partner
Membership No.: 153599
Place: Ahmedabad

Date: June 9, 2020
UDIN: 20153599AAAAEX8486

For **Riddhi P. Sheth & Co.**
Chartered Accountants
ICAI Firm registration number: 140190W

Riddhi P. Sheth
Proprietor
Membership No.: 159123
Place: Ahmedabad

Date: June 9, 2020
UDIN: 20159123AAAAAH1375

Annexure A to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of PSP Projects Limited of even date)

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

In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of PSP Projects Limited (hereinafter referred to as "Holding Company") and its subsidiary company (together referred to as "the Group"), which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Holding Company and its subsidiary company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies 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 ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company and its subsidiary company, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these Consolidated Financial Statements 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 with reference to these Consolidated Financial Statements and their operating effectiveness. Our audit of internal

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary company in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these Consolidated Financial Statements.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors as referred to in Other Matters paragraph below, the Holding Company and its subsidiary company, which are companies incorporated in India, have maintained, in all material respects, an adequate internal financial controls system over financial reporting with reference to these Consolidated Financial Statements and such internal financial controls over financial reporting with reference to these Consolidated Financial Statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of

For **Kantilal Patel & Co.**

Chartered Accountants

ICAI Firm registration number: 104744W

Jinal A. Patel

Partner

Membership No.: 153599

Place: Ahmedabad

Date: June 9, 2020

UDIN: 20153599AAAAEX8486

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.

Other Matters

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these Consolidated Financial Statements of the Holding Company, in so far as it relates to one subsidiary company which is company incorporated in India, is based solely on the corresponding reports furnished to us by the auditors of such company incorporated in India.

For **Riddhi P. Sheth & Co.**

Chartered Accountants

ICAI Firm registration number: 140190W

Riddhi P. Sheth

Proprietor

Membership No.: 159123

Place: Ahmedabad

Date: June 9, 2020

UDIN: 20159123AAAAAH1375

Consolidated Balance Sheet

as at March 31, 2020

Particulars	Note No.	(₹ in Lakhs)	
		As at March 31, 2020	As at March 31, 2019
ASSETS			
(1) Non current Assets			
(a) Property, Plant and Equipment	3	10,645.34	10,214.79
(b) Capital Work-In-Progress	4	-	-
(c) Other Intangible Assets	5	143.66	103.65
(d) Financial Assets			
(i) Investments	6	65.68	65.68
(ii) Loans	7	2,668.28	2,282.31
(iii) Other Financial Assets	8	11,916.74	5,887.95
(e) Deferred Tax Asset (Net)	9	696.40	592.13
(f) Other Non Current Assets	10	251.35	211.77
Total Non-Current Assets		26,387.45	19,358.28
(2) Current Assets			
(a) Inventories	11	9,683.35	7,500.17
(b) Financial Assets			
(i) Trade receivables	12	23,517.51	14,788.52
(ii) Cash and cash equivalents	13	4,132.33	3,554.82
(iii) Bank Balances other than (ii) above	13	15,552.17	18,665.61
(iv) Loans	7	691.04	1,078.28
(v) Other Financial Assets	8	12,828.44	5,576.34
(c) Other Current Assets	10	3,407.33	2,883.46
(d) Current Tax Assets	14	94.87	102.69
Total Current Assets		69,907.04	54,149.89
Total Assets		96,294.49	73,508.17
EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share Capital	15	3,600.00	3,600.00
(b) Other Equity	16	41,818.16	33,330.71
Equity attributable to owners of Holding Company		45,418.16	36,930.71
Non-Controlling Interests		68.68	85.37
Total Equity		45,486.84	37,016.08
LIABILITIES			
(2) Non-Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	403.69	40.87
(b) Provisions	18	39.81	-
Total Non-Current Liabilities		443.50	40.87
(3) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	7,321.32	2,938.27
(ii) Trade Payables	19	-	-
- Total outstanding dues of micro enterprises and small enterprises		757.37	75.23
- Total outstanding dues of creditors other than micro enterprises and small enterprises		20,923.29	15,838.86
(iii) Other Financial Liabilities	20	2,056.46	1,172.27
(b) Other Current Liabilities	21	19,115.70	15,339.17
(c) Provisions	18	104.80	47.45
(d) Current Tax Liabilities (Net)	22	85.21	1,039.97
Total Current Liabilities		50,364.15	36,451.22
Total Liabilities		50,807.65	36,492.09
Total Equity and Liabilities		96,294.49	73,508.17

The Notes on Account form Integral part of the Financial Statements 1 to 49 (As per our report of even date)

For Kantilal Patel & Co.

Chartered Accountants
ICAI Firm Reg. No. : 104744W

Jinal A. Patel

Partner
Membership No. : 153599

For Riddhi P. Sheth & Co.

Chartered Accountants
ICAI Firm Reg. No. : 140190W

Riddhi P. Sheth

Proprietor
Membership No. : 159123

Place : Ahmedabad
Date : June 09, 2020

For and on behalf of the Board of Directors

Prahaladbhai S. Patel

Managing Director & CEO
(DIN: 00037633)

Hetal Patel

Chief Financial Officer

Shilpaben P. Patel

Whole Time Director
(DIN: 02261534)

Mittali Christachary

Company Secretary

Place : Ahmedabad
Date : June 09, 2020

Consolidated Statement of Profit and Loss

for the year ended on March 31, 2020

(₹ in Lakhs)

Particulars	Note No.	Year ended March 31, 2020	Year ended March 31, 2019
I Revenue From Operations	23	1,49,925.93	1,05,040.66
II Other Income	24	2,416.63	2,274.85
III Total Income (I+II)		1,52,342.56	1,07,315.51
IV EXPENSES			
Cost of Construction Material Consumed	25	52,665.93	43,369.90
Changes in Inventories of Work-in-Progress	26	839.41	(1,791.48)
Construction Expenses	27	70,044.68	43,272.51
Employee Benefits Expense	28	5,948.66	4,321.26
Finance Costs	29	1,505.58	967.39
Depreciation and Amortization Expense	30	2,669.55	2,430.17
Other Expenses	31	1,361.75	1,012.33
Total Expenses (IV)		1,35,035.56	93,582.08
V Profit Before Tax & share of profit / (loss) from Joint Venture (III-IV)		17,307.00	13,733.43
VI Tax Expense:			
(a) Current Tax	34	4,608.22	5,143.15
(b) Deferred Tax	9	(103.73)	(321.66)
VII Profit for the Period Before share of profit / (loss) from Joint Venture (V-VI)		12,802.51	8,911.94
VIII Share of profit / (loss) from Joint Venture (Net)	6.2	28.41	9.07
IX Other Comprehensive Income/(Loss)			
(i) Items that will not be reclassified to profit or loss			
- Remeasurement expenses of Defined benefit plans		(17.56)	(2.10)
- Income tax expenses relating to items that will be reclassified to profit or loss		4.42	-
(ii) Items that will be reclassified to profit or loss			
- Exchange difference arising on translation of foreign subsidiary		(7.58)	(3.28)
- Income tax expenses relating to items that will be reclassified to profit or loss		0.55	1.15
Total Other Comprehensive Income/(Loss) (IX(i) + IX(ii))		(20.17)	(4.23)
X Total Comprehensive Income for the year (VII+VIII+IX)		12,810.75	8,916.78
Profit for the year attributable to:			
- Owners of the Holding Company		12,847.61	8,943.20
- Non-controlling Interest		(16.69)	(22.19)
Other comprehensive income for the year attributable to:			
- Owners of the Holding Company		(20.17)	(4.23)
- Non-controlling Interest		-	-
Total comprehensive income for the year attributable to:			
- Owners of the Holding Company		12,827.44	8,938.97
- Non-controlling Interest		(16.69)	(22.19)
XI Earnings per equity share:			
Basic and Diluted (Face value ₹ 10 per equity share)	32	35.69	24.84

The Notes on Account form Integral part of the Financial Statements 1 to 49 (As per our report of even date)

For Kantilal Patel & Co.
Chartered Accountants
ICAI Firm Reg. No. : 104744W

For and on behalf of the Board of Directors

Jinal A. Patel
Partner
Membership No. : 153599

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

Shilpaben P. Patel
Whole Time Director
(DIN: 02261534)

For **Riddhi P. Sheth & Co.**
Chartered Accountants
ICAI Firm Reg. No. : 140190W

Riddhi P. Sheth
Proprietor
Membership No. : 159123

Hetal Patel
Chief Financial Officer

Mittali Christachary
Company Secretary

Place : Ahmedabad
Date : June 09, 2020

Place : Ahmedabad
Date : June 09, 2020

Statement of Consolidated Cash Flows

for the year ended on March 31, 2020

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
A Cash flow from operating activities		
Profit before tax	17,335.41	13,742.50
Adjustments for :		
Finance costs	711.92	491.05
Depreciation and amortisation expense	2,669.55	2,430.17
Expected credit loss allowance	33.00	87.67
Dividend	(3.16)	(3.61)
Interest Income	(2,165.53)	(2,097.51)
Loss / (Gain) on sale of Property, Plant & Equipment (Net)	0.01	49.90
Operating Profit before working capital changes	18,581.20	14,700.17
Movements in working capital:		
(Increase) / Decrease in Inventories	(2,183.18)	(4,118.91)
(Increase) / Decrease in Trade Receivable	(8,762.00)	(2,529.88)
(Increase) / Decrease in Other Assets	(11,101.11)	(6,044.27)
Increase / (Decrease) in Trade Payables	5,809.11	2,012.74
Increase / (Decrease) in Other Liabilities	4,677.94	2,912.68
Increase / (Decrease) in Provisions	79.60	(14.23)
Cash generated from operations:	7,101.56	6,918.30
Direct taxes paid (net)	(5,550.71)	(4,794.66)
Net cash generated from operating activities (A)	1,550.85	2,123.64
B Cash flows from investing activities		
Payment for Property, Plant and Equipment (PPE), Intangible assets & CWIP	(3,307.32)	(3,944.05)
Proceeds from sale of Property, Plant and Equipment (PPE)	2.44	98.00
(Purchase)/Proceeds on sale of non-current investments (Net)	-	(2.13)
(Purchase)/Proceeds on sale of current investments (Net)	(7.83)	1,413.55
Purchase of term deposits (Net)	345.79	(1,985.18)
Dividend received	3.16	3.61
Interest received	2,165.53	2,135.37
Net cash (used) in Investing activities (B)	(798.23)	(2,280.83)
C Cash flow from financing activities :		
Proceeds from / (Repayment) of Non-current Borrowings	493.74	(214.68)
Proceeds from / (Repayment) of Current Borrowings	4,383.06	297.32
Dividend and dividend tax paid	(4,339.99)	(2,170.00)
Interest paid	(711.92)	(491.05)
Net cash (used) in financing activities (C)	(175.11)	(2,578.41)
NET INCREASE IN CASH AND CASH EQUIVALENTS [(A) + (B) + (C)]	577.51	(2,735.60)
Add: Cash and Cash Equivalents as at beginning of the year	3,554.82	6,290.42
Cash and Cash Equivalents as at end of the year	4,132.33	3,554.82

Statement of Consolidated Cash Flows

for the year ended on March 31, 2020

Note to Cash Flow Statement:

- The above Cash Flow Statement has been prepared under the 'Indirect method' as set out in the Ind AS - 7 Statement of Cash Flow.
- The Group has total sanctioned limit (fund & non-fund based) of ₹ 61,000 lakhs (P.Y. ₹ 41,000 lakhs) with banks, out of which ₹ 42,618.43 lakhs (P.Y. ₹ 34,485.06 lakhs) has been utilised.
- Cash And Cash Equivalents comprises of:

(₹ in Lakhs)

Particulars	Year ended	Year ended
	March 31, 2020	March 31, 2019
Cash on hand	46.06	41.46
Balances with banks		
In current accounts	1,062.54	79.43
In cash credit accounts (debit balance)	276.33	129.58
In deposit accounts (Maturity less than 3 months)	2,747.40	3,304.35
CASH AND CASH EQUIVALENTS AS PER NOTE 13	4,132.33	3,554.82
CASH AND CASH EQUIVALENTS AS PER CASH FLOW STATEMENT	4,132.33	3,554.82

4 Disclosure as required by Ind AS 7

Reconciliation of liabilities arising from financing activities

As at March 31, 2020

(₹ in Lakhs)

Particulars	Opening Balance	Cash Flows	Non Cash Changes	Closing Balance
Non-current Borrowings	168.49	493.74	-	662.23
Current Borrowings	2,938.27	4,383.06	-	7,321.33
Total liabilities from financing activities	3,106.76	4,876.80	-	7,983.56

As at March 31, 2019

(₹ in Lakhs)

Particulars	Opening Balance	Cash Flows	Non Cash Changes	Closing Balance
Non-current Borrowings	383.17	(214.68)	-	168.49
Current Borrowings	2,640.95	297.32	-	2,938.27
Total liabilities from financing activities	3,024.12	82.64	-	3,106.76

The Notes on Account form Integral part of the Financial Statements 1 to 49 (As per our report of even date)

For Kantilal Patel & Co.
Chartered Accountants
ICAI Firm Reg. No. : 104744W

For and on behalf of the Board of Directors

Jinal A. Patel
Partner
Membership No. : 153599

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

Shilpaben P. Patel
Whole Time Director
(DIN: 02261534)

For **Riddhi P. Sheth & Co.**
Chartered Accountants
ICAI Firm Reg. No. : 140190W

Riddhi P. Sheth
Proprietor
Membership No. : 159123

Hetal Patel
Chief Financial Officer

Mittali Christachary
Company Secretary

Place : Ahmedabad
Date : June 09, 2020

Place : Ahmedabad
Date : June 09, 2020

Consolidated Statement Of Changes In Equity

For The Year Ended March 31, 2020

a. Equity Share Capital:

Particulars	(₹ in Lakhs)	
	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	3,600.00	3,600.00
Changes in equity share capital during the year	-	-
Balance at the end of the year	3,600.00	3,600.00

b. Other Equity:

Particulars	Reserves & Surplus			Foreign Currency Translation Reserve	Debt instruments through OCI	Total attributable to owners of the Holding Company	Non - controlling interests	Total
	General Reserve	Securities Premium	Retained Earnings					
Balance as at March 31, 2018 (A)	936.10	13,488.68	12,137.29	(0.50)	(20.34)	26,541.23	107.56	26,648.79
Additions during the year:								
Premium received on issuance of shares	-	-	-	-	-	-	-	-
Profit for the year	-	-	8,943.20	(2.13)	-	8,941.07	(22.19)	8,918.88
Remeasurement benefits of defined benefit plans	-	-	(2.10)	-	-	(2.10)	-	(2.10)
Exchange difference on translation of foreign subsidiary	-	-	-	-	-	-	-	-
Net fair value gain on investments in debt instruments through OCI	-	-	-	-	-	-	-	-
Total Comprehensive Income for the year 2018-19(B)	-	-	8,941.10	(2.13)	-	8,938.97	(22.19)	8,916.78
Reductions during the year:								
Realisation of gain/(loss) on investments in debt instruments through OCI	-	-	-	(0.17)	(20.34)	(20.51)	-	(20.51)
Dividends	-	-	1,800.00	-	-	1,800.00	-	1,800.00
Dividend Distribution Tax Paid	-	-	370.00	-	-	370.00	-	370.00
Total (C)	-	-	2,170.00	(0.17)	(20.34)	2,149.49	-	2,149.49
Balance as at March 31, 2019 (D) = (A) + (B) - (C)	936.10	13,488.68	18,908.39	(2.46)	-	33,330.71	85.37	33,416.08
Additions during the year:								
Profit for the year	-	-	12,847.61	(7.03)	-	12,840.58	(16.69)	12,823.89
Remeasurement benefits of defined benefit plans	-	-	(13.14)	-	-	(13.14)	-	(13.14)
Total Comprehensive Income for the year 2019-20 (E)	-	-	12,834.47	(7.03)	-	12,827.44	(16.69)	12,810.75
Reductions during the year:								
Dividends*	-	-	3,600.00	-	-	3,600.00	-	3,600.00
Dividend Distribution Tax Paid	-	-	739.99	-	-	739.99	-	739.99
Total (F)	-	-	4,339.99	-	-	4,339.99	-	4,339.99
Balance as at March 31, 2020 (G) = (D) + (E) - (F)	936.10	13,488.68	27,402.87	(9.49)	-	41,818.16	68.68	41,886.84

* Dividends include final dividend for the year ended 31 March 2019: ₹ 5 per share and interim dividend for the year ended 31 March 2020: ₹ 5 per share.

The Notes on Account form Integral part of the Financial Statements 1 to 49 (As per our report of even date)

For Kantilal Patel & Co.

Chartered Accountants
ICAI Firm Reg. No. : 104744W

Jinal A. Patel
Partner
Membership No. : 153599

For Riddhi P. Sheth & Co.
Chartered Accountants
ICAI Firm Reg. No. : 140190W

Riddhi P. Sheth
Proprietor
Membership No. : 159123

Place : Ahmedabad
Date : June 09, 2020

For and on behalf of the Board of Directors

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

Hetal Patel
Chief Financial Officer

Shilpaben P. Patel
Whole Time Director
(DIN: 02261534)

Mitali Christachary
Company Secretary

Place : Ahmedabad
Date : June 09, 2020

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2020

1. Group's Overview:

The consolidated financial statements comprise financial statements of PSP Projects Limited (the Parent), its subsidiaries and joint ventures (collectively, the Group) for the year ended March 31, 2020. The Parent is a public limited company domiciled in India and has its registered office in Ahmedabad, Gujarat, India. The company has been incorporated under the provisions of Company's Act, 1956. The shares of the company are listed on National Stock Exchange of India Ltd. and Bombay Stock Exchange Ltd with effect from May 29, 2017.

The Group offers construction services across industrial, institutional, residential, social infrastructure and commercial projects in India and USA.

2. Significant Accounting Policies, Key Accounting Estimates & Judgement:

2.1 Basis of preparation of financial statements:

These financial statements are the consolidated financial statements of the Group prepared in accordance with Indian Accounting Standards ('Ind AS') as notified under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

These consolidated financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these consolidated financial statements.

2.2 Functional and presentation currency:

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

2.3 Principles of consolidation:

The consolidated financial statements comprise the financial statements of the Companies, its subsidiaries and its joint ventures as at March 31, 2020. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2020

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the holding company, when the end of the reporting period of the holding is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the holding to enable the holding to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

2.4 Consolidation procedure:

- a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the holding with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- b) Offset (eliminate) the carrying amount of the holding's investment in each subsidiary and the holding's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions."

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the holding of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss

2.5 Key accounting estimates and judgements:

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

Critical accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2020

a) Property, Plant and Equipment:

Property, Plant and Equipment represent a significant proportion of the asset base of the Group.

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful lives specified in schedule II to the Companies Act, 2013, or in the case of assets where the useful life was determined by technical evaluation, over the useful life so determined.

The Useful lives are determined at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

b) Income taxes:

Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

c) Defined Benefit Obligation:

The costs of providing post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates.

d) Fair value measurement of Financial Instruments:

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

2.6 Current / Non-Current Classification:

Any asset or liability is classified as current if it satisfies any of the following conditions:

- i. the asset/liability is expected to be realized/settled in the Group's normal operating cycle;
- ii. the asset is intended for sale or consumption;
- iii. the asset/liability is expected to be realized/settled within twelve months after the reporting period;
- iv. the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- v. In the case of a liability, the Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

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

For the purpose of current/non-current classification of assets and liabilities, the Group has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

2.7 Property, Plant & Equipment:

a) Measurement at recognition:

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

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2020

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

b) Depreciation:

Depreciation on each part of an item of property, plant and equipment is provided using the Written down Value (WDV) Method based on the useful life of the asset.

Useful life and residual value prescribed in Schedule II of the Companies Act, 2013 are considered except in the following cases where useful life is supported by the technical evaluation considering business specific usage, the consumption pattern of the assets and the past performance of similar assets:

Particulars	Useful Life in years
Steel Shuttering Materials included in Plant and Machinery	5 to 10 years

The useful lives, residual values of each part of an item of property, plant and equipment and the depreciation methods are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

c) Derecognition:

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

2.8 Intangible Assets:

a) Measurement at recognition:

Intangible assets i.e. Software acquired separately are measured on initial recognition at cost. Subsequently, intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any.

b) Amortization:

Intangible Assets are amortized on a Straight-Line basis over the estimated useful economic life. The amortization expense on intangible assets is recognized in the Statement of Profit and Loss. The estimated useful life of software is considered 6 years.

The amortization period and the amortization method for an intangible asset is reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

c) Derecognition:

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognized in the Statement of Profit and Loss when the asset is derecognized

2.9 Borrowing Costs:

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized, if any. All other borrowing costs are expensed in the period in which they occur.

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2020

2.10 Impairment of non-financial assets:

Assets that are subject to depreciation and amortization and assets representing investments in Joint Venture are reviewed for impairment, whenever events or changes in circumstances indicate that carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.

The Group assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called cash generating units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

2.11 Investment in Joint Venture:

Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The Group's investment in its jointly controlled entity is accounted for using the equity method.

Under the equity method, the investment in a jointly controlled entity is initially recognised at cost.

The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture since the acquisition date. The statement of profit and loss reflects the Group's share of the results of operations of the jointly controlled entity. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the jointly controlled entity, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the jointly controlled entity are eliminated to the extent of the interest in the jointly controlled entity.

If an entity's share of losses of a joint venture equals or exceeds its interest in the joint venture (which includes any long term interest that, in substance, form part of the Group's net investment in the joint venture), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture.

If the joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised. The aggregate of the Group's share of profit or loss of a jointly controlled entity is shown on the face of the statement of profit and loss. The financial statements of the jointly controlled entity is prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its jointly controlled entity. At each reporting date, the Group determines whether there is objective evidence that the investment in the jointly controlled entity is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the jointly controlled entity and its carrying value, and then recognises the loss as 'Share of profit of a jointly controlled entity in the statement of profit or loss.

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2020

Upon loss of significant influence over the joint control over the jointly controlled entity, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the jointly controlled entities upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

2.12 Inventory:

a) **Construction Materials:**

Construction materials are valued at lower of cost or net realizable value, on the basis of weighted average method after providing for obsolescence and other losses, where considered necessary. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

b) **Work in Progress:**

Work-in-progress represents cost incurred directly in respect of construction activity and indirect construction cost to the extent to which the expenditure is related to the construction or incidental thereto is valued at lower of cost or net realizable value.

c) **Wooden Shuttering material:**

Wooden shuttering materials included in the work-in-progress are valued at cost less charged off to statement of Profit and Loss based on their usages for the construction activity.

2.13 Site establishment cost :

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

2.14 Financial Instrument:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets:

a) **Initial recognition and measurement:**

All financial assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

b) **Subsequent measurement:**

i. **Financial assets measured at amortized cost:**

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii. **Financial assets measured at fair value through other comprehensive income (FVTOCI):**

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iii. **Financial assets measured at fair value through profit & loss (FVTPL):**

A financial asset which is not classified in any of the above categories are measured at FVTPL.

c) **Impairment of financial assets:**

In accordance with Ind AS 109, the Group uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2020

Expected credit losses are measured through a loss allowance at an amount equal to:

1. The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
2. Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables Group applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Group uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward-looking estimates are analysed.

For other assets, the Group uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

Financial Liabilities

a) Initial recognition and measurement:

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

b) Subsequent measurement:

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition of financial instruments

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Group's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

2.15 Foreign Currency Transaction & Translation:

a) Initial Recognition:

On initial recognition, transactions in foreign currencies entered into by the Group are recorded in the functional currency (i.e. Indian Rupees), by applying to the foreign currency amount, the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss.

b) Measurement of foreign currency items at reporting date:

Foreign currency monetary items of the Group are translated at the closing exchange rates. Non-monetary items that are measured at historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency, are translated using the exchange rates at the date when the fair value is measured.

Exchange differences arising out of these translations are recognized in the Statement of Profit and Loss.

c) Translation of financial statements of foreign entity:

On consolidation, the assets and liabilities of foreign operations are translated into INR (Indian Rupees) at the exchange rate prevailing at the reporting date and their statements of profit and loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2020

on translation for consolidation are recognised in Foreign Currency Translation Reserve of Consolidated OCI. On disposal of a foreign operation, this component of OCI relating to that particular foreign operation is reclassified to Consolidated Statement of Profit and Loss.

2.16 Fair Value:

The Group measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1 — quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 — inputs that are unobservable for the asset or liability

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

2.17 Revenue Recognition:

Revenue from Contracts with Customers:

The Group recognises revenue from contracts with customers when it satisfies a performance obligation by transferring promised goods or service to a customer. The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Performance obligation is satisfied over time when the transfer of control of good or service to a customer is done over time and in other cases, performance obligation is satisfied at a point in time. For performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

For contracts where the aggregate of contract cost incurred to date plus recognised profits (or minus recognised losses as the case may be) exceeds the progress billing, the surplus is shown as contract asset and termed as "Due from customers". For contracts where progress billing exceeds the aggregate of contract costs incurred to-date plus recognised profits (or minus recognised losses, as the case may be), the surplus is shown as contract liability and termed as "Due to customers". Amounts received before the related work is performed are disclosed in the Balance Sheet as contract liability and termed as "Advances from customer". The amounts billed on customer for work performed and are unconditionally due for payment i.e only passage of time is required before payment falls due, are disclosed in the Balance Sheet as trade receivables. The amount of retention money held by the customers pending completion of performance milestone is disclosed as part of contract asset and is reclassified as trade receivables when it becomes due for payment.

Transaction price is the amount of consideration to which the Group expects it to be entitled in exchange for transferring goods or services to a customer excluding amounts collected on behalf of a third party. Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance. Payment terms agreed with a customer are as per business practice and the financing component, if significant, is separated from the transaction price and accounted as interest income.

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Costs to obtain a contract which are incurred regardless of whether the contract was obtained are charged-off in profit & loss immediately in the period in which such costs are incurred. Incremental costs of obtaining a contract, if any, and costs incurred to fulfil a contract are amortised over the period of execution of the contract in proportion to the progress measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract cost incurred that are likely to be recoverable. An expected loss on the contract is recognized as an expense immediately.

The differences between the timing of our revenue recognised (based on costs incurred) and customer billings (based on contractual terms) results in changes to revenue in excess of billing or billing in excess of revenue.

Cost incurred towards future contract activity is classified as project work in progress.

Sale of goods:

Revenue from sale of goods is recognised when the control of the same is transferred to the customer and it is probable that the Group will collect the consideration to which it is entitled for the exchanged goods.

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

Interest and dividend:

Interest income is accrued on a time basis by reference to the principal outstanding using effective interest rate method. Dividend income is recognized when the right to receive payment is established.

2.18 Employee Benefits:

a) Short Term Employee Benefits:

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

b) Post-Employment Benefits:

I. Defined Contribution plans:

A defined contribution plan is a post-employment benefit plan under which the Group pays specified contributions to separate entities. The Group makes specified monthly contributions towards Provident Fund, State Insurance, and Pension Scheme. The Group's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

II. Defined Benefit plans:

The Group pays gratuity to the employees whoever has completed five years of service with the Group at the time of resignation/superannuation. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act 1972.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services. Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income. Such re-measurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

c) Other long term employee benefits

All other long term employee benefit which do not fall due wholly within twelve months after the end of the period in which the employee render the related services are determined based on actuarial valuation or discounted present value method carried out at each balance sheet date. The expected cost of accumulating compensated absence is determined by actuarial valuation performed by an independent actuary as at 31 March every year using projected unit credit method

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2020

on additional amount expected to be paid/availed as a result of unutilised entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absence is recognised in the period in which the absences occur.

2.19 Income Taxes:

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

a) **Current tax:**

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Consolidated Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible in accordance with applicable tax laws. Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

b) **Deferred tax:**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period

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

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/expense are recognized in Other Comprehensive Income.

The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Group has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Group.

2.20 Provision & Contingencies:

The Group recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

2.21 Lease Accounting:

The Group has adopted Ind AS 116-Leases effective 1st April, 2019, using the modified retrospective method. The Group has applied the standard to its leases with the cumulative impact recognised on the date of initial application (1st April, 2019). Accordingly, previous period information has not been restated.

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Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Group's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Group has concluded that no changes are required to lease period relating to the existing lease contracts.

2.22 Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Group. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Group.

2.23 Earnings per share:

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

2.24 Cash Flow Statement:

Cash Flow Statement are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

2.25 Cash and Cash Equivalents:

Cash and Cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments.

2.26 Application of New Accounting Pronouncements:

The Group has applied following new accounting standards that were issued and were effective during the year. The effect of these accounting standards is described below:

a) *Ind AS 116 – Leases:*

After considering current and future economic conditions, the Group has concluded that no changes are required to Lease period relating to existing lease contracts. The adoption of the standard did not have any material impact on the Consolidated Financial Statements.

b) *Ind AS 12 – Income Taxes – Appendix C, Uncertainty over Income Tax Treatments:*

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit/loss, tax bases, unused tax losses, unused tax credits and tax rates. The standard permits two possible methods of transition – i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognised by adjusting equity on initial application, without adjusting comparatives. The standard became effective from April 01, 2019. The Group has adopted the standard on April 01, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 01, 2019 if any without adjusting comparatives. The effect on adoption of Ind AS 12 Appendix C is insignificant in the Consolidated Financial Statements.

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2020

c) Amendment to Ind AS 12 – Income taxes:

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The adoption of the standard did not have any material impact to the Consolidated Financial Statements. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend in accordance with Ind AS 12.

d) Amendment to Ind AS 19 – Employee benefit – plan amendment, curtailment or settlement:

The amendments require an entity to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. The adoption of the standard did not have any material impact to the Consolidated Financial Statements.

2.27 Events after reporting date:

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2020

3 Property, Plant and Equipment

(₹ in Lakhs)

Particulars	Land	Buildings	Furniture & Fixture	Plant & Equipment	Office Equipments	Computers	Vehicles	Total
Gross Carrying amount								
As at March 31, 2018	1,006.05	896.44	162.13	7,924.26	117.10	129.47	1,714.31	11,949.76
Additions	-	-	69.25	4,297.35	46.40	39.35	587.68	5,040.03
Deductions	-	-	0.20	335.16	2.24	8.16	21.77	367.53
As At March 31, 2019	1,006.05	896.44	231.18	11,886.45	161.26	160.66	2,280.22	16,622.26
Additions	-	-	27.90	2,219.29	33.21	176.34	619.25	3,075.99
Deductions	-	-	-	2.75	-	0.77	15.08	18.60
As At March 31, 2020	1,006.05	896.44	259.08	14,102.99	194.47	336.23	2,884.39	19,679.65
Accumulated depreciation								
As at March 31, 2018	-	39.30	90.22	3,072.57	69.90	90.74	851.39	4,214.12
Depreciation for the year	-	82.12	25.58	1,840.17	29.38	32.76	403.21	2,413.22
Deductions	-	-	0.12	192.33	1.12	7.66	18.64	219.87
As At March 31, 2019	-	121.42	115.68	4,720.41	98.16	115.84	1,235.96	6,407.47
Depreciation for the year	-	74.43	31.58	2,090.56	36.08	50.24	360.09	2,642.98
Deductions	-	-	-	1.24	-	0.57	14.33	16.14
As At March 31, 2020	-	195.85	147.26	6,809.73	134.24	165.51	1,581.72	9,034.31
Net carrying amount								
As At March 31, 2020	1,006.05	700.59	111.82	7,293.26	60.23	170.72	1,302.67	10,645.34
As At March 31, 2019	1,006.05	775.02	115.50	7,166.04	63.10	44.82	1,044.26	10,214.79
As at March 31, 2018	1,006.05	857.14	71.91	4,851.69	47.20	38.73	862.92	7,735.64

Notes:

- (i) Vehicles amounting to ₹ 93.65 Lakhs as disclosed in Gross Carrying Value as at March 31, 2020 (March 31, 2019 - ₹ 93.65 Lakhs) are in the name of Mr. Prahaladbhai S. Patel, Managing Director and CEO of the Holding Company.
- (ii) Refer to Note 17 for information on property, plant and equipment pledged as security by the Group.
- (iii) For Capital Commitments, Refer Note 39.

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2020

4 Capital Work In Progress

(₹ in Lakhs)

Particulars	Property, Plant and Equipment	
	March 31, 2020	March 31, 2019
Opening CWIP	-	176.31
Additions	-	-
Capitalised during the year	-	176.31
Total	-	-

5 Other Intangible assets

(₹ in Lakhs)

Particulars	Computer Software	Total
	Gross Carrying amount	
As at March 31, 2018	185.10	185.10
Additions	48.37	48.37
Deductions	0.40	0.40
As At March 31, 2019	233.07	233.07
Additions	66.58	66.58
Deductions	-	-
As At March 31, 2020	299.65	299.65
Accumulated Amortisation		
As at March 31, 2018	112.63	112.63
Amortisation for the year	16.95	16.95
Deductions	0.16	0.16
As At March 31, 2019	129.42	129.42
Amortisation for the year	26.57	26.57
Deductions	-	-
As At March 31, 2020	155.99	155.99
Net carrying amount		
As At March 31, 2020	143.66	143.66
As At March 31, 2019	103.65	103.65
As at March 31, 2018	72.47	72.47

6 Investments

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
	Non Current	
Investment in Equity Instruments / Capital of Partnership firm		
Unquoted		
(i) Joint Venture		
(Measured at Cost, Refer Note No. 35)		
(a) M/s. GDCL and PSP Joint Venture (Refer Note 6.1) (Share of profit of Gannon Dunkerley & Company Limited and PSP Projects Limited in the entity is 51:49) (Refer Note No.38)	44.59	44.59
(ii) Others		
(Measured at Cost, Refer Note No. 35)		
(a) The Kalupur Commercial Co-Operative Bank Limited 84,350 (Previous Year : 84,350) Equity Shares of Face Value ₹ 25 Each	21.09	21.09
Total Non Current Investments	65.68	65.68
Aggregate Carrying Value of unquoted investment	65.68	65.68

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2020

6.1 Investment in M/s. GDCL and PSP Joint Venture:

Name of the Partners	Capital of the firm	Share of Partner
Gannon Dunkerley & Company Limited	46.41	51.00%
PSP Projects Limited	44.59	49.00%
Total	91.00	100.00%

6.2 Disclosures pursuant to Ind AS 112 "Disclosure of interest in other entities":- Joint Ventures and Associates Financial Information in respect of individually not material joint ventures/associates

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Aggregate carrying amount of investment in individually not material joint ventures/associates	44.59	44.59
Aggregate amounts of the Group's share of Profit/(loss) for the year	28.41	9.07
Other comprehensive income for the year	-	-
Total comprehensive income for the year	28.41	9.07

7 Loans

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Non Current		
Loan to related parties (Refer note no. 38)	2,668.28	2,282.31
Total	2,668.28	2,282.31
Current		
Loan to related parties (Refer note no. 38)	663.44	1,034.17
Loans and advances to employees	27.60	44.11
Total	691.04	1,078.28

Break up of security details

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Non Current		
Loan Receivables considered good- Secured	-	-
Loan Receivables considered good- Unsecured	2,668.28	2,282.31
Loan Receivables which have significant increase in Credit Risk	-	-
Loan Receivables impaired	-	-
Total	2,668.28	2,282.31
Current		
Loan Receivables considered good- Secured	-	-
Loan Receivables considered good- Unsecured	691.04	1,078.28
Loan Receivables which have significant increase in Credit Risk	-	-
Loan Receivables impaired	-	-
Total	691.04	1,078.28

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2020

8 Other Financial Assets

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Non Current		
Unsecured, considered good		
Security deposits	409.38	395.18
Other Deposits	54.17	-
Deposits with Banks (Maturity more than 12 months)	5,386.90	2,617.05
Contract Assets		
Retention money receivable from customers	6,066.29	2,875.72
Total	11,916.74	5,887.95
Current		
Other deposits	567.66	773.04
Contract Assets		
Retention money receivable from customers	637.59	2,407.63
Amount due from customers (Unbilled Revenue)	11,623.19	2,395.67
Total	12,828.44	5,576.34

9 Deferred Tax Assets

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred Tax Asset	696.40	592.13
Total	696.40	592.13

Deferred tax asset/(liabilities) in relation to:

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Opening balance		
Non deductible expenses for tax purpose	45.20	-
Property, plant and equipment	441.25	168.80
Losses Brought Forward	32.18	28.17
Investments carried at FVTOCI	1.32	10.58
MAT Credit Entitlement	72.18	72.18
Total	592.13	279.73
Recognised in Profit or loss		
Non deductible expenses for tax purpose	23.21	45.20
Property, plant and equipment	69.34	272.45
Losses Brought Forward	11.18	4.01
Investments carried at FVTOCI	-	(10.76)
Total	103.73	310.90
Recognised in Other comprehensive income		
Exchange difference arising on translation of foreign subsidiary	0.55	1.50
Total	0.55	1.50
Closing balance		
Non deductible expenses for tax purpose	68.41	45.20
Property, plant and equipment	510.59	441.25
Losses Brought Forward	43.36	32.18
Exchange difference arising on translation of foreign subsidiary	1.86	1.32
MAT Credit Entitlement	72.18	72.18
Total	696.40	592.13

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2020

10 Other assets

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current		
Unsecured, considered good		
Capital Advances	202.29	187.90
Prepaid Expenses	49.06	23.87
Total	251.35	211.77
Current		
Unsecured, considered good		
Advances to Vendors	1,258.68	1,301.22
Balance with Government Authorities	820.81	191.67
Site Establishment Cost	904.54	884.60
Prepaid Expenses	423.30	505.97
Total	3,407.33	2,883.46

11 Inventories

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Construction Materials	7,673.03	4,650.44
Work in Progress	2,010.32	2,849.73
Total	9,683.35	7,500.17

(The cost of inventories recognised as an expense during the year is disclosed in Note 25 & 26)

12 Trade Receivables

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
From related parties (Refer Note 38)	-	0.04
From others	23,679.87	14,917.84
Total	23,679.87	14,917.88
Less: Expected credit loss allowance	(162.36)	(129.36)
Total	23,517.51	14,788.52

Break up of security details

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	23,517.51	14,788.52
Trade receivables which have significant increase in credit risk	162.36	129.36
Trade receivables - credit impaired	-	-
Total	23,679.87	14,917.88
Provision for expected credit loss	(162.36)	(129.36)
Total trade receivables	23,517.51	14,788.52

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2020

13 Cash and Bank Balances

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Cash and Cash Equivalents		
Cash on Hand	46.06	41.46
Balances with banks		
In current accounts	1,062.54	79.43
In cash credit accounts (debit balance)	276.33	129.58
In deposit accounts (Refer Note 13.1 below)	23,683.51	24,586.25
Sub Total	25,068.44	24,836.72
Less: Fixed deposits having maturity more than 3 months & less than 12 months shown under other bank balances	15,549.21	18,664.85
Less: Fixed deposits having maturity more than 12 months shown under other financial assets (refer Note 8)	5,386.90	2,617.05
Total	4,132.33	3,554.82
Bank Balances other than above		
Unpaid dividend accounts*	2.96	0.76
In deposit accounts (Maturity more than 3 months & less than 12 months)	15,549.21	18,664.85
Total	15,552.17	18,665.61

13.1 The details of Fixed deposits pledged with banks/clients as given below:

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Fixed deposits pledged with banks as security against credit facilities	16,638.60	12,681.74
Fixed deposits pledged with bank as security against overdraft facility for subsidiary company	452.70	424.55
Fixed deposits pledged with clients as security	1,495.35	1,324.51
Total	18,586.65	14,430.80

* The Holding Company can utilise these balances only towards settlement of unclaimed dividend.

14 Current Tax Assets

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Current Tax Assets (Net)	94.87	102.69
Total	94.87	102.69

15 Equity Share Capital

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Authorised Equity Share Capital		
50,000,000 (previous year - 5,00,00,000) Equity Shares of ₹ 10 each	5,000.00	5,000.00
	5,000.00	5,000.00
Issued, Subscribed and Paid up capital		
36,000,000 (previous year - 36,000,000) Equity Shares of ₹ 10 each fully paid up	3,600.00	3,600.00
	3,600.00	3,600.00

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2020

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

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
At the beginning of the year	36,000,000	3,600.00	36,000,000	3,600.00
Add: Shares Issued during the year	-	-	-	-
At the end of the year	36,000,000	3,600.00	36,000,000	3,600.00

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

- The Holding Company has only one class of equity shares having par value of ₹ 10 per share.
- Each holder of equity shares is entitled to one vote per share.
- In the event of the liquidation of the Holding Company, the holders of equity shares will be entitled to receive remaining assets of the Holding Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Equity shares held by shareholders each holding more than 5 % of the shares

Name of the Shareholders	As at March 31, 2020		As at March 31, 2019	
	No. of shares	%	No. of shares	%
Prahaladbhai S. Patel	18,390,914	51.09%	14,721,919	40.89%
Shilpaben P. Patel	51,84,000	14.40%	51,84,000	14.40%
Sagar P. Patel	20,00,000	5.56%	38,88,000	10.80%
Pooja P. Patel	10,00,000	2.78%	25,88,400	7.19%

(d) In the period of preceding five years as at March 31, 2020:

- Holding Company has issued 24,00,000 Equity Shares of ₹ 10 each fully paid up as bonus shares during the year 2015-16, by utilisation of ₹ 240 Lakhs from surplus, pursuant to a bonus issue approved by shareholders.
- Holding Company has issued 2,56,00,000 Equity Shares of ₹ 10 each fully paid up as bonus shares during the month of September 2016, by utilisation of ₹ 2,560 Lakhs from surplus, pursuant to a bonus issue approved by shareholders.

16 Other equity

Particulars	Reserves & Surplus			Items of Other comprehensive income (OCI)		Total attributable to owners of the Holding Company	Non-controlling interests	Total
	General Reserve	Securities Premium	Retained Earnings	Foreign Currency Translation Reserve	Debt instruments through OCI			
Balance as at March 31, 2018 (A)	936.10	13,488.68	12,137.29	(0.50)	(20.34)	26,541.23	107.56	26,648.79
Additions during the year:								
Profit for the year	-	-	8,943.20	(2.13)	-	8,941.07	(22.19)	8,918.88
Remeasurement benefits of defined benefit plans	-	-	(2.10)	-	-	(2.10)	-	(2.10)
Total Comprehensive Income for the year 2018-19 (B)	-	-	8,941.10	(2.13)	-	8,938.97	(22.19)	8,916.78
Reductions during the year:								
Realisation of gain/(loss) on investments in debt instruments through OCI	-	-	-	(0.17)	(20.34)	(20.51)	-	(20.51)
Dividends	-	-	1,800.00	-	-	1,800.00	-	1,800.00
Dividend Distribution Tax Paid	-	-	370.00	-	-	370.00	-	370.00
Total (C)	-	-	2,170.00	(0.17)	(20.34)	2,149.49	-	2,149.49
Balance as at March 31, 2019 (D) = (A) + (B) - (C)	936.10	13,488.68	18,908.39	(2.46)	-	33,330.71	85.37	33,416.08
Additions during the year:								
Profit for the year	-	-	12,847.61	(7.03)	-	12,840.58	(16.69)	12,823.89
Remeasurement benefits of defined benefit plans	-	-	(13.14)	-	-	(13.14)	-	(13.14)
Total Comprehensive Income for the year 2019-20(E)	-	-	12,834.47	(7.03)	-	12,827.44	(16.69)	12,810.75

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2020

Particulars	Reserves & Surplus			Items of Other comprehensive income (OCI)		Total attributable to owners of the Holding Company	Non-controlling interests	Total
	General Reserve	Securities Premium	Retained Earnings	Foreign Currency Translation Reserve	Debt instruments through OCI			
Reductions during the year:								
Dividends*	-	-	3,600.00	-	-	3,600.00	-	3,600.00
Dividend Distribution Tax Paid	-	-	739.99	-	-	739.99	-	739.99
Total (F)	-	-	4,339.99	-	-	4,339.99	-	4,339.99
Balance as at March 31, 2020 (G) = (D) + (E) - (F)	936.10	13,488.68	27,402.87	(9.49)	-	41,818.16	68.68	41,886.84

* Dividends include final dividend for the year ended 31 March 2019: Rs 5 per share and interim dividend for the year ended 31 March 2020: Rs 5 per share.

Nature & purpose of other reserves

General Reserve

General reserve is created from time to time by way of transfer profits from retained earning for appropriation purpose.

Securities premium

Securities premium reserve is used to record premium on issue of shares. This reserve is utilised as per the provisions of the Companies Act, 2013.

Debt Instruments through OCI

The Holding Company has elected to recognise changes in the fair value of certain investments in debt securities in other comprehensive income. These changes are accumulated within other equity. The transfer amounts from reserves to profit and loss when relevant debt securities are derecognised.

17 Borrowings

Particulars	(₹ in Lakhs)	
	As at March 31, 2020	As at March 31, 2019
Non - Current		
Secured (At Amortised Cost)		
Term Loans		
From Banks	662.23	168.49
Less: Current Maturities of long term borrowings	(258.54)	(127.62)
Total	403.69	40.87
Current		
Secured (At Amortised Cost)		
Working Capital Loans		
From Banks	7,221.32	2,838.27
Unsecured		
From Related Parties (Refer Note 38)	100.00	100.00
Total	7,321.32	2,938.27

Nature of Borrowing	Terms of Repayment	Interest Rate	Nature of Security
Non-current Borrowing			
Term loan for Plant, Machinery & Vehicles	Repayable in 35 to 60 equated monthly installments	8.20% to 9.50%	Assets acquired under term loan
Current Borrowing			
Working Capital Loans	Repayable on Demand	7.05% to 11.00%	Refer note below

Note:

- (i) Working Capital Loans are secured against Inventory, Book Debts, Plant & Machinery, land and Fixed Deposits held in the name of holding company and director of the holding company. Such loans are repayable on demand.

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2020

- (ii) All the above credit facilities are guaranteed by Managing Director Mr. Prahaladbhai S. Patel, Whole time Director Mrs. Shilpaben P Patel, and Executive Director Ms. Pooja P. Patel, and secured against collateral securities held in the name of Holding Company and Managing Director Mr. Prahaladbhai S. Patel.

18 Provisions

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Non - Current		
Provision for compensated absences	39.81	-
Provision for Gratuity (Refer Note No. 33)	-	-
Total	39.81	-
Current		
Provision for compensated absences	5.15	-
Provision for Gratuity (Refer Note 33)	64.51	31.36
Provision for loss of Joint Venture (Refer Note 38)	35.14	16.09
Total	104.80	47.45

19 Trade Payables

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Total outstanding dues of micro enterprises and small enterprises	757.37	75.23
Total outstanding dues of creditors other than micro enterprises and small enterprises	20,923.29	15,838.86
Total	21,680.66	15,914.09

20 Other Financial Liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Current maturities of Non-current Borrowings (Refer Note 17)	258.54	127.62
Others		
Trade deposits	584.83	609.60
Payable for capital expenditures	150.08	300.42
Other Payables	690.05	133.87
Dividend Distribution Tax Payable	370.00	-
Unpaid dividend*	2.96	0.76
Total	2,056.46	1,172.27

*This figure does not include any amount due and outstanding, to be credited to Investor Education and Protection Fund.

21 Other Current Liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Statutory Payables	237.82	1,333.76
Contract Liabilities		
Advance received from Customers	6,459.28	494.72
Amount due to customers	963.73	-
Mobilisation Advance received from Customers	11,454.87	13,510.69
Total	19,115.70	15,339.17

22 Current Tax Liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Current Tax Liabilities (Net)	85.21	1,039.97
Total	85.21	1,039.97

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2020

23 Revenue from Operations

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Revenue from Contracts with Customers	1,49,279.70	1,04,543.47
Other Operating Revenue	646.23	497.19
Total	1,49,925.93	1,05,040.66

24 Other Income

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
a) Interest Income		
On Fixed Deposits	1,679.24	1,691.65
On Investments	19.96	33.96
From Joint venture (Refer Note 38)	307.60	299.66
Others	158.73	72.25
	2,165.53	2,097.52
b) Dividend income	3.16	3.61
c) Other gains and losses		
Net Gain on Foreign Exchange Fluctuations	238.30	95.71
Net Gain on sale of Property, Plant & Equipment	1.24	1.16
Others	8.40	76.85
	247.94	173.72
Total (a+b+c)	2,416.63	2,274.85

25 Cost of Construction Material Consumed

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Opening Stock	4,650.44	2,323.01
Add: Purchases	55,688.52	45,697.33
	60,338.96	48,020.34
Less: Closing Stock	7,673.03	4,650.44
Total	52,665.93	43,369.90

26 Changes in inventories of Work-In-Progress:

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Inventories at the end of the year:		
Work In Progress	2,010.32	2,849.73
	2,010.32	2,849.73
Inventories at the beginning of the year:		
Work In Progress	2,849.73	1,058.25
	2,849.73	1,058.25
Net (increase) / decrease in Inventories	839.41	(1,791.48)

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2020

27 Construction Expenses

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Labour Expenses	28,831.95	21,646.26
Sub-Contracting Expenses	35,550.11	16,822.77
Stores, Spares & Other Consumables	498.93	310.91
Power & Fuel	1,851.67	1,644.10
Site Expenses	288.49	264.21
Machinery Rent	1,969.39	1,839.33
Insurance	255.36	178.93
Repairs & Maintenance:		
Machineries	37.99	68.61
Vehicles	22.71	7.83
Transportation expenses	313.68	240.04
Security Expenses	424.40	249.52
Total	70,044.68	43,272.51

28 Employee benefits expense

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Salaries and Wages	4,289.90	3,007.23
Managerial Remuneration	832.00	822.00
Contributions to Provident Fund and Other Funds	235.35	170.56
Staff Welfare Expenses	591.41	321.47
Total	5,948.66	4,321.26

29 Finance costs

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest costs:		
(i) Interest on		
Term Loan	30.82	25.68
Working Capital Loan	681.10	465.37
(ii) Others	225.56	129.92
Bank Guarantee Charges	399.98	264.63
Other Borrowing costs	168.12	81.79
Total	1,505.58	967.39

30 Depreciation and Amortization Expense

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Depreciation expenses	2,642.98	2,413.22
Amortization expenses	26.57	16.95
Total	2,669.55	2,430.17

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2020

31 Other Expenses

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Rent	260.55	84.26
Rates & Taxes	35.87	13.21
Electricity expenses	14.48	14.37
Insurance	54.87	41.41
Repairs & Maintenance:		
Vehicle	59.72	65.01
Computers	99.77	47.85
Building	0.14	0.17
Printing & Stationery Expenses	85.36	56.29
Communication Expenses	27.50	30.84
Auditor's Remuneration	16.15	16.25
Legal & Professional Expenses	168.51	90.22
Portfolio Management Fees	-	3.47
Directors' Sitting Fees	2.70	2.70
Travelling & Conveyance	74.02	83.32
Advertisement Expenses	60.56	26.62
Sponsorship Fees	16.47	25.00
Allowances for Expected Credit Loss	33.00	87.67
Corporate Social Responsibility Expenses	219.24	106.61
Donation	66.15	49.19
Net Loss on PPE written off	0.01	51.06
Net Loss on sale of Investments	-	45.73
Miscellaneous Expenses	66.68	71.08
Total	1,361.75	1,012.33

31.1 Remuneration to Auditors

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Payment to Statutory Auditors		
For Audit Fees	16.10	16.25
For Taxation Matters	0.05	-
Total	16.15	16.25

32 Earnings per share (EPS)

(₹ in Lakhs)

Particulars	Unit	Year ended March 31, 2020	Year ended March 31, 2019
(i) Net Profit after Tax attributable to equity holders of the Company	In ₹	12,847.61	8,943.20
(ii) Weighted average number of shares outstanding during the year	In Nos.	3,60,00,000	3,60,00,000
(iii) Basic and Diluted Earnings Per Share ((i)/(ii))	In ₹	35.69	24.84

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2020

33 Employee benefits

[A] Defined contribution plans:

The Group makes contributions towards provident fund to defined contribution retirement benefit plan for qualifying employees. The provident fund contributions are made to Government administered Employees Provident Fund. Both the employees and the Group make monthly contributions to the Provident Fund Plan equal to a specified percentage of the covered employee's salary.

Contribution to Defined Contribution Plan, recognized as expenses during the year is as under:

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2020	Year ended March 31, 2019
Contribution to Labour Welfare Fund	0.32	0.23
Contribution to Employee State Insurance Corporation Fund	43.81	47.08
Contribution to Provident Fund	130.98	80.09
Total	175.11	127.40

[B] Defined benefit plan:

The Group has a defined benefit gratuity plan in India (partially funded) for employees, who have completed five years or more of service is entitled to gratuity on termination of their employment at 15 days last drawn salary for each completed year of service. Further, the plan requires contributions to be made to a separately administered fund. The fund is managed by a trust which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy.

Gratuity is a defined benefit plan and Group is exposed to the Following Risks:

Investment risk:

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Interest risk:

A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Longevity risk:

Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Salary risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2020

The following table sets out the status of the gratuity plan and the amounts recognised in the Group's financial statements as at March 31, 2020.

a) Reconciliation in present value of defined benefit obligation:

Particulars	(₹ in Lakhs)	
	2019-20	2018-19
Defined benefit obligations as at beginning of the year	218.51	165.66
Current service cost	58.15	39.29
Past service cost	-	-
Interest cost	17.02	13.00
Actuarial (Gains)/Losses	13.67	3.02
Benefits paid	(2.76)	(2.46)
Defined benefit obligations as at end of the year	304.59	218.51

b) Reconciliation of fair value of Plan Assets

Particulars	(₹ in Lakhs)	
	2019-20	2018-19
Fair Value of Plan Assets at the Beginning of the Year	187.15	112.67
Contributions by the Employer	45.00	67.17
Interest Income	14.58	8.84
Benefit Paid from the Fund	(2.76)	(2.45)
Return on Plan Assets, Excluding Interest Income	(3.89)	0.92
Fair Value of Plan Assets at the End of the Year	240.08	187.15

c) Amount recognised in balance sheet

Particulars	(₹ in Lakhs)	
	As at March 31, 2020	As at March 31, 2019
PVO at the end of Year	304.59	218.51
Fair value of planned assets at end of year-Insurance Fund	240.08	187.15
Funded status - Deficit	(64.51)	(31.36)
Net asset/(liability) recognised in the balance sheet	(64.51)	(31.36)

d) Amount recognised in Statement of Profit and Loss:

Particulars	(₹ in Lakhs)	
	As at March 31, 2020	As at March 31, 2019
Current service cost	58.15	39.29
Interest cost	2.44	4.16
Past service cost	-	-
Total	60.59	43.45

e) Amount recognised in Other Comprehensive Income Remeasurements:

Particulars	(₹ in Lakhs)	
	As at March 31, 2020	As at March 31, 2019
Actuarial (Gains)/ Losses	13.67	3.02
Return on Plan Assets, Excluding Interest Income	3.89	(0.92)
Total	17.56	2.10

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2020

f) Principal assumptions used in determining defined benefit obligations for the Group

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2020	March 31, 2019
Expected Return on Plan Assets (% per annum)	6.82%	7.79%
Discount rate (% per annum)	6.82%	7.79%
Salary escalation rate (% per annum)	2% p.a for next 1 years, 7% p.a thereafter, starting from 2nd year.	7.00%
Employee attrition rate (% per annum)	For service 4 year and below 12.00% p.a. For service 5 year and above 3.00% p.a.	For ages 4 year and below 12.00% p.a. For ages 5 year and above 3.00% p.a.
Mortality Rate (% per annum)	Indian Assured Lives Mortality (2006-08)	
Normal Retirement Age (In Years)	58	58
Average Future Service (In Years)	18	18

Note 1: Discount rate is determined by reference to market yields at the balance sheet date on Government bonds, where the currency and terms of the Government bonds are consistent with the currency and estimated terms for the benefit obligation.

Note 2: The estimate of future salary increases taken into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

g) Expected Cash flow of Maturity Profile for following years of Defined Benefit Obligations:

Particulars	As at March 31, 2020		As at March 31, 2019	
	Amount in ₹	% to DBO	Amount in ₹	% to DBO
Year 1	15.49	5.09%	9.44	4.32%
Year 2	28.96	9.51%	9.75	4.46%
Year 3	11.21	3.68%	26.92	12.32%
Year 4	13.49	4.43%	9.66	4.42%
Year 5	15.45	5.07%	11.64	5.33%
Year 6 to 10	113.9	37.39%	86.74	39.70%
Year 11 and above	642.16	210.83%	523.54	239.60%

h) Sensitivity analysis:

Scenario	As at March 31, 2020		As at March 31, 2019	
	DBO	Change	DBO	Change
Under Base Scenario				
Discount Rates - Up by 1 %	(31.68)	-10.40%	(21.45)	-9.82%
Discount Rates - Down by 1 %	38.40	12.61%	25.77	11.79%
Salary Escalation - Up by 1 %	35.07	11.51%	23.33	10.68%
Salary Escalation - Down by 1 %	(29.78)	-9.78%	(19.81)	-9.07%
Withdrawal Rates - Up by 1 %	(1.26)	-0.41%	(19.81)	-9.07%
Withdrawal Rates - Down by 1 %	1.23	0.40%	1.22	0.56%

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2020

i) Category of Assets:

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Insurance Fund	240.08	187.15

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Group's financial statements as at balance sheet date:

(₹ in Lakhs)

Total Employee Benefit Liabilities	Note	As at March 31, 2020	As at March 31, 2019
Provisions	18	64.51	31.36

34 Tax Expense

(a) Amounts recognised in profit and loss

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Current Tax Expense (A)		
Current year	4,608.22	5,143.15
	4,608.22	5,143.15
Deferred tax expense (B)		
Origination and reversal of temporary differences	(103.73)	(321.66)
Tax Expense recognised in the income statement	4,504.49	4,821.49

(b) Amounts recognised in other comprehensive income

Particulars	For the year ended March 31, 2020			For the year ended March 31, 2019		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit plans	(17.56)	4.42	(13.14)	(2.10)	-	(2.10)
Items that will be reclassified to profit or loss						
Exchange difference arising on translation of foreign subsidiary	(7.58)	0.55	(7.03)	(3.28)	1.15	(2.13)
	(25.14)	4.97	(20.17)	(5.38)	1.15	(4.23)

(c) Reconciliation of effective tax rate

Particulars	Year ended March 31, 2020		Year ended March 31, 2019	
	%	Amount	%	Amount
Profit Before Tax		17,335.41		13,742.50
Tax using the Group's domestic tax rate	25.17%	4,362.98	34.94%	4,802.18
Tax effect of:				
Effect of Expenses that are not deductible in determining taxable profit	4.83%	836.72	7.64%	1,049.39
Effect of income that is exempt from taxation	-0.05%	(7.87)	-0.03%	(4.30)
Effect of Expenses that are deductible in determining taxable profit	-3.52%	(610.79)	-5.39%	(740.58)
Effect of change in tax rate (Refer below Note)	0.95%	164.51	-	-
Others	-1.39%	(241.06)	-2.08%	(285.20)
Effective income tax rate/Tax Expense	25.98%	4,504.49	35.08%	4,821.49
Income tax expense		4,504.49		4,821.49

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2020

The Group has elected to exercise the option permitted under section 115BAA of the Income Tax Act - 1961 as introduced by the Taxation Laws (Amendment) Ordinance 2019. Accordingly, the Group has recognised tax expenses for the year ended March 31, 2020 and re-measured its deferred tax assets basis the rate prescribed in the said section. Profit for the year is lower by INR 164.51 lakhs due to remeasurement of deferred tax assets recognised upto March 31, 2019.

35 Fair value measurement hierarchy:

(₹ in Lakhs)

Particulars	As at March 31, 2020						
	Carrying amount	Amortised Cost	FVTOCI	FVTPL	Level of input used in		
					Level 1	Level 2	Level 3
Financial assets							
Investments*	21.09	21.09	-	-	-	-	-
Loans	3,359.32	3,359.32	-	-	-	-	-
Trade receivables	23,517.51	23,517.51	-	-	-	-	-
Cash and cash equivalents and Other Bank Balances	19,684.50	19,684.50	-	-	-	-	-
Other Financial Assets	24,745.18	24,745.18	-	-	-	-	-
	71,327.60	71,327.60	-	-	-	-	-
Financial liabilities							
Borrowings	7,725.01	7,725.01	-	-	-	-	-
Trade payables	21,680.66	21,680.66	-	-	-	-	-
Other Financial liabilities	2,056.46	2,056.46	-	-	-	-	-
	31,462.13	31,462.13	-	-	-	-	-

* Exclude Group Investment amounting to ₹ 44.59 Lakhs as it is carried at Cost.

(₹ in Lakhs)

Particulars	As at March 31, 2019						
	Carrying amount	Amortised Cost	FVTOCI	FVTPL	Level of input used in		
					Level 1	Level 2	Level 3
Financial assets							
Investments*	21.09	21.09	-	-	-	-	-
Loans	3,360.59	3,360.59	-	-	-	-	-
Trade receivables	14,788.52	14,788.52	-	-	-	-	-
Cash and cash equivalents and Other Bank Balances	22,220.43	22,220.43	-	-	-	-	-
Other Financial Assets	11,464.29	11,464.29	-	-	-	-	-
	51,854.92	51,854.92	-	-	-	-	-
Financial liabilities							
Borrowings	2,979.14	2,979.14	-	-	-	-	-
Trade payables	15,914.09	15,914.09	-	-	-	-	-
Other Financial liabilities	1,172.27	1,172.27	-	-	-	-	-
	20,065.50	20,065.50	-	-	-	-	-

* Exclude Group Investment amounting to ₹ 44.59 Lakhs as it is carried at Cost.

The financial instruments are categorised into three levels based on the inputs used to arrive at fair value measurements as described below:

- Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes Mutual Fund and Debt instruments that have quoted on exchanges. The same are valued at that Market Value only.

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2020

- ii) **Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. In the case of Derivative contracts, the Group has valued the same using the forward exchange rate as at the reporting date.
- iii) **Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3. In the absence of any observable market data in relation to the said companies, the same have been categorised as Level 3. Considering the objective of investment and materiality, its fair value have been determined based on its book value as at the reporting date.

36 Capital Management:

The primary objective of capital management of the Group is to maximise Shareholder value. The Group monitors capital using Debt-Equity ratio which is total debt divided by total equity. For the purposes of capital management, the Group considers the following components of its Balance Sheet to manage capital:

Total equity includes General reserve, Retained earnings, Share capital and Security premium. Total debt includes current debt plus non-current debt.

The gearing ratio at the end of the reporting period are as under:

Particulars	(₹ in Lakhs)	
	As at March 31, 2020	As at March 31, 2019
Non-current borrowing	662.23	168.49
Current borrowing	7,321.32	2,938.27
Total Debt	7,983.55	3,106.76
Total Equity	45,486.84	37,016.08
Adjusted net debt to adjusted equity ratio	0.18	0.08

37 Financial risk management

Risk management framework

The Holding Company's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The audit committee oversees how the management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The audit committee is assisted by internal audit. Internal audit undertakes both regular and ad hoc review of risk management controls and procedures, the results of which are reported to the audit committee.

The Group has exposure to the following risks arising from financial instruments:

- A) Credit risk;
- B) Liquidity risk;
- C) Market risk; and
- D) Interest rate risk

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2020

A. Credit risk

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

Trade receivables

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

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

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

Movement in Expected Credit Loss Allowance

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
	Opening Expected Credit Loss Allowance	129.36
Add: Additional provision made	33.00	87.67
Less: Reversal of provision	-	-
Closing provision	162.36	129.36

Other financial assets

The Group maintains exposure in cash and cash equivalents, term deposits with banks, and loans to subsidiary companies. The Group has diversified portfolio of investment with various number of counterparties which have secure credit ratings hence the risk is reduced. Cumulative allocation limits are set for each category of asset class. Credit limits and concentration of exposures are actively monitored by the finance department of the Group.

B. Liquidity risk

The principal sources of liquidity of the Group are cash and cash equivalents, borrowings and the cash flow that is generated from operations. The Group believes that current cash and cash equivalents, tied up borrowing lines and cash flow that is generated from operations is sufficient to meet requirements. Accordingly, liquidity risk is perceived to be low. The following table shows the maturity analysis of financial liabilities of the Group based on contractually agreed undiscounted cash flows as at the Consolidated Balance Sheet date:

As at March 31, 2020

(₹ in Lakhs)

Particulars	Note No.	Carrying Amount	Maturity		Total
			Less than 12 months	More than 12 months	
Non-current Borrowings (Incl. current maturities)	17	662.23	258.54	403.69	662.23
Current Borrowings	17	7,321.32	7,321.32	-	7,321.32
Trade Payables	19	21,680.66	21,680.66	-	21,680.66
Other Financial Liabilities	20	1,797.92	1,797.92	-	1,797.92
Total		31,462.13	31,058.44	403.69	31,462.13

As at March 31, 2019

(₹ in Lakhs)

Particulars	Note No.	Carrying Amount	Maturity		Total
			Less than 12 months	More than 12 months	
Non-current Borrowings (Incl. current maturities)	17	168.49	127.62	40.87	168.49
Current Borrowings	17	2,938.27	2,938.27	-	2,938.27
Trade Payables	19	15,914.09	15,914.09	-	15,914.09
Other Financial Liabilities	20	1,044.65	1,044.65	-	1,044.65
Total		20,065.50	20,024.63	40.87	20,065.50

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2020

C Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales and purchases are denominated. The major functional currency for the Group is INR. The currencies in which these transactions are primarily denominated is US dollars.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

Particulars	(Amt in Lakhs)	
	Assets (USD)	
	As at March 31, 2020	As at March 31, 2019
Loans	35.39	33.00

Particulars	(Amt in Lakhs)	
	Assets (INR)	
	As at March 31, 2020	As at March 31, 2019
Loans	2,668.28	2,282.31

Foreign currency sensitivity analysis

The Company is mainly exposed to the currency : USD

The following table details the Group's sensitivity to a 5% increase and decrease in the Rupee against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. This is mainly attributable to the net exposure outstanding on receivables or payables in the Group at the end of the reporting period. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rate. A positive number below indicates an increase in the profit or equity where the Rupee strengthens by 5% against the relevant currency. For a 5% weakening of the Rupee against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be negative.

Impact on profit or loss and total equity

Particulars	(Amt in Lakhs)	
	Impact in USD	
	As at March 31, 2020	As at March 31, 2019
Increase in exchange rate by 5%	1.77	1.65
Decrease in exchange rate by 5%	(1.77)	(1.65)

D Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group seeks to mitigate such risk by maintaining an adequate proportion of floating and fixed interest rate borrowings. Summary of financial assets and financial liabilities has been provided below:

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2020

Exposure to interest rate risk

The interest rate profile of the Group's interest - bearing financial instrument as reported to management is as follows:

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Fixed-rate instruments		
Financial Assets	3,359.32	3,360.59
Financial Liabilities	762.23	268.49
Variable-rate instruments		
Financial Assets	-	-
Financial Liabilities	7,221.32	2,838.27

Interest rate sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of change in interest rates. The following table demonstrates the sensitivity of floating rate financial instruments to a reasonably possible change in interest rates. The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

Impact on Profit / (loss) after tax

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Increase in 100 basis points	(54.04)	(18.46)
Decrease in 100 basis points	54.04	18.46

38 Related party transactions

Related Party Disclosures:

(i) Names of the related parties and description of relationship

As per the Indian Accounting Standard-24 on "Related Party Disclosures", list of related parties identified of the Company are as follows.

(a) Associate/Joint Venture

Name of the entity	Type
M/s. GDCL and PSP Joint Venture	Joint Venture
P & J Builders LLC	Step down Foreign Joint Venture - Level-I
PSP Fremont LLC	Step down Foreign Joint Venture - Level-I
Guttenberg Projects LLC	Step down Foreign Joint Venture - Level-II

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2020

(b) Key Management Personnel & Relatives

Name of the Key Management Personnel	Status
Mr. Prahaladbhai S. Patel	Chairman & Managing Director
Mrs. Shilpaben P. Patel	Whole Time Director
Ms. Pooja P. Patel	Executive Director
Mr. Sagar P. Patel	Executive Director (From October 22, 2019)
Mr. Chirag Narendra Shah	Independent Director
Mr. Sandeep Himmatlal Shah	Independent Director
Mr. Vasishtha Pramodbhai Patel	Independent Director
Mrs. Zarana Pratik Patel	Independent Director (From October 22, 2019)
Mrs. Hetal Patel	Chief Financial Officer
Ms. Mittali Christachary	Company Secretary
Name of the Relative	Relation
Mr. Dinubhai Patel	Brother of Chairman & Managing Director

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

Name of the Entities	
PSP Properties Private Limited (Formerly Known as PSP Products Private Limited)	
Sprybit Softlabs LLP	M/s. A P Constructions
Shilp Products LLP	M/s. SIM Developers

(ii) Transactions with related parties:

Particulars	2019-20	2018-19
(₹ in Lakhs)		
Interest Income		
M/s. GDCL and PSP Joint Venture	133.63	156.20
P & J Builders LLC	89.23	143.46
PSP Fremont LLC	84.74	-
Interest Expenses		
Mr. Prahaladbhai S. Patel	12.00	5.98
Receipt of Services		
M/s. A P Constructions	901.04	841.16
Mr. Dinubhai Patel	25.00	24.75
Sprybit Softlabs LLP	4.92	-
Mr. Prahaladbhai S. Patel	53.72	50.89
Sale of Concrete Mix		
M/s. SIM Developers	-	8.07
M/s. GDCL and PSP Joint Venture	4.64	-
Shilp Products LLP	13.33	-
Reimbursements of Expenses		
M/s. GDCL and PSP Joint Venture (BG Charges)	10.34	(0.67)
Share of Profit / (Loss) from Partnership firm		
M/s. GDCL and PSP Joint Venture	28.41	9.08
P & J Builders LLC	(14.91)	(9.17)
PSP Fremont LLC	(2.76)	-
Director's Sitting Fees Paid		
Mr. Chirag Narendra Shah	0.75	0.90
Mr. Sandeep Himmatlal Shah	0.75	0.90
Mr. Vasishtha Pramodbhai Patel	0.90	0.90
Mrs. Zarana Pratik Patel	0.30	-

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2020

	(₹ in Lakhs)	
Particulars	2019-20	2018-19
Remuneration / Salary		
Mr. Prahaladbhai S. Patel	540.00	540.00
Mrs. Shilpaben P. Patel	180.00	180.00
Ms. Pooja P. Patel	102.00	102.00
Mr. Sagar P. Patel	11.87	1.75
Mrs. Hetal Patel	25.23	21.58
Ms. Mittali Christachary	6.72	5.34
Provision for Loss of Investment		
P & J Builders LLC	14.91	9.07
PSP Fremont LLC	2.76	-
Loan Received from Director by Subsidiary		
Mr. Prahaladbhai S. Patel	-	110.00
Loan Repaid to Director by Subsidiary		
Mr. Prahaladbhai S. Patel	-	10.00
Investment		
PSP Fremont LLC	0.07	-
Loan Given/ (Repaid)		
P & J Builders LLC (Net)	(1,532.09)	487.49
PSP Fremont LLC (Net)	1,918.11	-
M/s. GDCL and PSP Joint Venture (Net)	(404.50)	620.00

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

	(₹ in Lakhs)	
Particulars	As at March 31, 2020	As at March 31, 2019
Investment		
M/s. GDCL and PSP Joint Venture	44.59	44.59
P & J Builders LLC	1.79	1.79
PSP Fremont LLC	0.07	-
Trade Receivables		
M/s. SIM Developers	-	0.04
Loans Receivable by Holding Co.		
P & J Builders LLC	750.18	2,282.26
PSP Fremont LLC	1,918.11	-
M/s. GDCL and PSP Joint Venture	773.00	1,177.50
M/s. GDCL and PSP Joint Venture (Cr. Balance in current capital)	(109.56)	(143.33)
Loans Payable by Subsidiary Co.		
Mr. Prahaladbhai S. Patel	100.00	100.00
Trade Payables		
M/s. A P Constructions	80.55	138.09
Mr. Dinubhai Patel	6.25	7.52
Other Financial Assets (Interest Receivable)		
M/s. GDCL and PSP Joint Venture	301.83	173.55
P & J Builders LLC	50.71	39.39
PSP Fremont LLC	90.13	-
Provision for Loss /Loss on investment		
P & J Builders LLC	32.45	16.09
PSP Fremont LLC	2.69	-

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2020

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Remuneration / Salary Payable		
Mr. Prahaladbhai S. Patel	24.65	28.85
Mrs. Shilpaben P. Patel	9.35	7.94
Ms. Pooja P. Patel	5.48	5.85
Mr. Sagar P. Patel	1.67	0.21
Mrs. Hetal Patel	1.82	1.22
Ms. Mittali Christachary	0.53	0.40

(iv) Terms and conditions

- Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.
- All the credit facilities of ₹ 61,000 Lakhs and Term Loan of ₹ 662.23 Lakhs as on 31.03.2020 are guaranteed by Managing Director Mr. Prahaladbhai S. Patel, Whole-time Director Mrs. Shilpaben P. Patel, and Executive Director Ms. Pooja P. Patel, and secured against collateral securities held in the name of company and Managing Director Mr. Prahaladbhai S. Patel.
- The Holding Company has given Performance BG of ₹ 656.23 Lakhs to M/s. Gujarat Metro Rail Corporation Limited to the extent of 49% stake in M/s. GDCL And PSP Joint Venture for the project carried out by the Joint Venture.

39 Contingent Liabilities and Capital Commitments

(i) Contingent Liabilities:

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Claims against Group not acknowledged as debt		
- Tax matters in dispute under appeal*	10.95	166.72
- Dispute in relation to the payment of wages	15.77	11.39
Bank guarantees for Performance, Earnest Money & Security Deposits**	40,418.43	33,828.20
Total	40,445.15	34,006.31

* The above matters are currently being considered by the tax authorities with various forums and the Group expects the judgement will be in its favour and has therefore, not recognised the provision in relation to these claims.

** includes bank guarantees of ₹ 656.23 Lakhs (March 31, 2019 ₹ 656.23 Lakhs) given on behalf of joint venture.

(ii) Capital Commitments:

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Estimated amount of contracts remaining to be executed on capital account and not provided for Property, Plant & Equipment (net of advances)	35.42	30.50
Total	35.42	30.50

40 Revenue from contracts with customers (Disclosure as per Ind AS 115)

(a) Disaggregation of revenue from contracts with customers

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

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
India	1,49,279.70	1,04,543.47

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2020

(b) Contract balances

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

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Trade Receivables	23,517.51	14,788.52
Contract assets		
Retention money receivable from customers	6,703.88	5,283.35
Amount due from customers	11,623.19	2,395.67
Contract liabilities		
Advance received from Customers	17,914.15	14,005.41
Amount due to customers	963.73	-

A contract asset is Group's right to consideration for work completed but not billed at the reporting date and a right to consideration that is conditioned on achievement of milestone specified in the contract excluding any amounts presented as a receivable. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Group issues an invoice to the customer or milestones are achieved as specified in the contract. The contract liabilities primarily relate to the advance consideration received from customers for construction for which revenue is recognised over time.

Amounts due from contract customers represents the gross unbilled amount expected to be collected from customers for contract work performed till date. It is measured at cost plus profit recognised till date less progress billings and recognised losses when incurred.

Amounts due to contract customers represents the excess of progressive billings over the revenue recognised (cost plus attributable profits) for the contract work performed till date.

Significant changes in contract asset and contract liabilities balances during the year are as follows :

(₹ in Lakhs)

Particulars	Year ended March 31, 2020
Due from contract customers	
At the beginning of the reporting period	2,395.67
Cost incurred plus attributable profits on contracts-in-progress	1,61,802.41
Progressive billings made towards contracts-in-progress	1,52,574.89
Due from contract customers impaired during the reporting period	-
Significant changes due to other reasons	-
At the end of the reporting period	11,623.19

(₹ in Lakhs)

Particulars	Year ended March 31, 2020
Due to contract customers	
At the beginning of the reporting period	-
Cost incurred plus attributable profits on contracts-in-progress	2,472.00
Progressive billings made towards contracts-in-progress	3,435.73
Due to contract customers impaired during the reporting period	-
Significant changes due to other reasons	-
At the end of the reporting period	(963.73)

(c) Movement of Expected Credit Loss during the year :

In March 2020, ₹ 33 lakhs (March 2019, ₹ 87.67 lakhs) was recognised as provision for expected credit losses on Trade Receivables.

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2020

(d) Performance obligation

The Group recognises revenue from contracts with customers when it satisfies a performance obligation by transferring promised good or service to a customer. The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Performance obligation is satisfied over time when the transfer of control of asset (good or service) to a customer is done over time and in other cases, performance obligation is satisfied at a point in time. For performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation.

For contracts where the aggregate of contract cost incurred to date plus recognised profits (or minus recognised losses as the case may be) exceeds the progress billing, the surplus is shown as contract asset and termed as "Due from customers". For contracts where progress billing exceeds the aggregate of contract costs incurred to-date plus recognised profits (or minus recognised losses, as the case may be), the surplus is shown as contract liability and termed as "Due to customers". Amounts received before the related work is performed are disclosed in the Balance Sheet as contract liability and termed as "Advances from customer". The amounts billed on customer for work performed and are unconditionally due for payment i.e. only passage of time is required before payment falls due, are disclosed in the Balance Sheet as trade receivables. The amount of retention money held by the customers pending completion of performance milestone is disclosed as part of contract asset and is reclassified as trade receivables when it becomes due for payment.

The aggregate value of performance obligations that are completely or partially unsatisfied as at 31 March 2020 is ₹. 3,07,356 Lakhs. The revenue recognition mainly depends on meeting the delivery schedules, contractual terms and conditions with customers, availability of customer sites, changes in scope, variation in prices etc. In view of these, it is not practical to define the accurate percentage of conversion to revenue on yearly basis. However, a tentative bifurcation of remaining performance obligation within next 3 years is as follows :

(₹ in Lakhs)			
Particulars	Mar-21	Mar-22	Mar-23
Contract revenue	1,08,972	1,55,769	42,615

(e) Reconciliation of revenue recognised in the Statement of Profit and Loss

(₹ in Lakhs)		
Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Contract price of the revenue recognised	149,279.70	104,543.47
Add : Performance Bonus	-	-
Add : Incentives	-	-
Less : Liquidated damages	-	-
Revenue recognised in the statement of Profit and Loss	149,279.70	104,543.47

41 Dues to Micro, Small and Medium Enterprises

Disclosure required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006.

(₹ in Lakhs)			
Sr. No.	Particulars	As at March 31, 2020	As at March 31, 2019
a)	i) Principal amount remaining unpaid to supplier under the MSMED Act 2006	757.37	75.23
	ii) Interest on a) (i) above	0.43	0.07
b)	The amount of interest paid by the Group in terms of section 16 of the MSMED, along with amount of payment made to the supplier beyond the appointed date during the accounting year.	-	-
c)	The amount of interest accrued and remaining unpaid at the end of the financial year	0.43	0.07
d)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding interest specified under MSMED.	-	-
e)	The amount of further interest remaining due and payable even in the succeeding year	-	-

42 Segment Information

There are no separate reportable segments as per Ind AS 108 as the entire operations of the Group relate to single segment, viz Constructions / Project activities.

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2020

43 Corporate Social Responsibility (CSR) Expenditure

- (a) CSR amount required to be spent by the Group as per Section 135 of the Companies Act, 2013 is ₹ 204.22 Lakhs for the year 2019 -20. (P.Y. ₹ 136.77 Lakhs).
- (b) Expenditure related to CSR is ₹ 219.24 Lakhs (P.Y. ₹ 106.61 Lakhs), details of the same is as under:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2020			For the year ended March 31, 2019		
	Paid in cash	Yet to be	Total	Paid in cash	Yet to be	Total
		paid in cash			paid in cash	
(i) Construction/acquisition of any asset	190.84	-	190.84	-	-	-
(ii) Purposes other than (i) above	28.40	-	28.40	106.61	-	106.61
Total	219.24	-	219.24	106.61	-	106.61

44 Details of enterprises consolidated in accordance with Ind AS - 110 - Consolidated Financials Statements

(i) Subsidiaries

Sr. No.	Name of the Enterprise	Country of Incorporation	Proportion of Ownership Interest as at		Accounting Period
			March 31, 2020	March 31, 2019	
(i)	PSP Projects & Proactive Constructions Private Limited	India	74.00%	74.00%	April 1, 2019 to March 31, 2020
(ii)	PSP Projects Inc.	USA	100.00%	100.00%	April 1, 2019 to March 31, 2020

(ii) Joint Ventures

Sr. No.	Name of the Enterprise	Country of Incorporation	Proportion of Ownership Interest as at		Accounting Period
			March 31, 2020	March 31, 2019	
1	GDCL and PSP Joint Venture	India	49.00%	49.00%	April 1, 2019 to March 31, 2020
2	P & J Builders LLC	USA	50.00%	50.00%	April 1, 2019 to March 31, 2020
3	PSP Fremont LLC	USA	50.00%	50.00%	April 1, 2019 to March 31, 2020

45 Additional Information as required under Schedule III to the Companies Act, 2013 of Enterprises Consolidated as Subsidiary as at March 31, 2020.

Name of the Enterprise	Net Assets i.e., Total Assets Minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income	
	% of Consolidated Net Assets	₹	% of Consolidated Profit or Loss	₹	% of Consolidated OCI	₹	% of Consolidated Total Comprehensive Income	₹
Parent								
PSP Projects Limited*	99.66%	45,334.32	100.74%	12,926.03	65.15%	(13.14)	100.80%	12,912.89
Subsidiaries								
Indian								
1 PSP Projects & Proactive Constructions Private Limited	0.58%	264.15	-0.50%	(64.20)	0.00%	-	-0.50%	(64.20)
Foreign								
1 PSP Projects Inc.	-0.24%	(111.63)	-0.24%	(30.91)	34.85%	(7.03)	-0.30%	(37.94)
Joint Ventures								
Indian								
1 M/s. GDCL and PSP Joint Venture (Refer Note below)	-	-	-	-	-	-	-	-

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2020

Name of the Enterprise	Net Assets i.e., Total Assets Minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income	
	% of Consolidated Net Assets	₹	% of Consolidated Profit or Loss	₹	% of Consolidated OCI	₹	% of Consolidated Total Comprehensive Income	₹
Foreign								
1 P&J Builders LLC (Refer Note below)	-	-	-	-	-	-	-	-
2 PSP Fremont LLC (Refer Note below)	-	-	-	-	-	-	-	-
Total	100%	45,486.84	100%	12,830.92	100%	(20.17)	100%	12,810.75

*after eliminating investment in subsidiary companies.

Note:

Profit of PSP Projects Limited includes Profit from M/s. GDCL and PSP Joint Venture amounting to ₹ 28.41 Lakhs.

Loss of PSP Projects Inc. includes loss from P & J Builders of ₹ 14.91 Lakhs and loss from PSP Fremont LLC of ₹ 2.76 Lakhs.

46 Standards Issued but not yet effective:

As at the date of issue of consolidated financial statements, there are no new standards or amendments which have been notified by the MCA but not yet adopted by the group. Hence, the disclosure is not applicable.

47 COVID-19 Estimation uncertainty:

The outbreak of COVID-19 pandemic globally and in India is causing significant disturbance and slowdown of economic activity. COVID-19 has significantly impacted business operations of the group, from the last fortnight of March 2020 by way of disruption in construction activities, supply chain disruption, unavailability of labour, etc. Partial resumption of construction activities have commenced at some project sites in April 2020 and the group expects to be near normal in business by Q2 FY2020-21. The group has made detailed assessment of its liquidity position for the next year and the recoverability of the group's assets such as Trade receivables, Unbilled revenue, Investments, Inventories, Advances, etc as at the Balance Sheet date, using reasonably available information, estimates and judgements, and has determined none of these balances requires a material adjustment to their carrying value. The impact of COVID-19 may be different from that estimated as at the date of approval of these consolidated financial statements and the group will continue to closely monitor the developments.

48 Approval of Financial Statements:

The financial statements are approved for issue by the Audit Committee and Board of Directors at their meetings held on June 9, 2020.

49 The figures of previous year have been regrouped/reclassified wherever necessary, to conform to the current year's classification.

In terms of our report attached

For Kantilal Patel & Co.

Chartered Accountants
ICAI Firm Reg. No. : 104744W

For and on behalf of the Board of Directors

Jinal A. Patel

Partner
Membership No. : 153599

Prahaladbhai S. Patel

Managing Director & CEO
(DIN: 00037633)

Shilpaben P. Patel

Whole Time Director
(DIN: 02261534)

For Riddhi P. Sheth & Co.

Chartered Accountants
ICAI Firm Reg. No. : 140190W

Riddhi P. Sheth

Proprietor
Membership No. : 159123

Hetal Patel

Chief Financial Officer

Mittali Christachary

Company Secretary

Place : Ahmedabad
Date : June 09, 2020

Place : Ahmedabad
Date : June 09, 2020

Form AOC-1

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

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in INR)

Sl. No.	Particulars	Details	Details
1.	Sl. No.	1	2
2.	Name of the subsidiary	PSP Projects & Proactive Constructions Private Limited	PSP Projects Inc.
3.	The date since when subsidiary was acquired	07/01/2016 (Incorporated)	15/02/2016(Incorporated)
4.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.	N.A.
5.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.	USD (Exchange rate as on March 31, 2020 : 75.3859)
6.	Share capital	500	7.54
7.	Reserves & surplus	(235.85)	(122.16)
8.	Total assets	1,358.72	2,782.08
9.	Total Liabilities	1,094.57	2,896.70
10.	Investments	-	(36.26)
11.	Turnover*	24.55	185.03
12.	Profit/(Loss) before taxation	(75.87)	(32.87)
13.	Provision for taxation	(11.67)	-
14.	Profit/(Loss) after taxation	(64.20)	(32.87)
15.	Proposed Dividend	-	-
16.	Extent of shareholding (In percentage)	74%	100%

*turnover includes other income.

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations - NA
- Names of subsidiaries which have been liquidated or sold during the year. – NA

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of associates/Joint Ventures	GDCL & PSP Joint Venture
1. Latest audited Balance Sheet Date	March 31, 2020
2. Date on which the Associate or Joint Venture was associated or Acquired	May 27,2015
3. Shares of Associate/Joint Ventures held by the company on the year end	N.A.
Amount of Investment in Associates/Joint Venture	44.59
Extent of Holding (In percentage)	49%
4. Description of how there is significant influence	Joint Venture
5. Reason why the associate/joint venture is not consolidated	N.A.
6. Net worth attributable to shareholding as per latest audited Balance Sheet	670.05
7. Profit/Loss for the year	57.99
i. Considered in Consolidation	28.41
ii. Not Considered in Consolidation	29.57

- Names of associates or joint ventures which are yet to commence operations. NA
- Names of associates or joint ventures which have been liquidated or sold during the year. NA

For and on behalf of the Board of Directors

Prahaladbhai S. PatelChairman & Managing
DIN: 00037633**Shilpaben P. Patel**Director Whole-time Director
DIN: 02261534

Date: June 09, 2020

Place: Ahmedabad

Hetal Patel

Chief Financial Officer

Mitali Christachary

Company Secretary



PSP PROJECTS LIMITED

CIN: L45201GJ2008PLC054868

Registered Office: 'PSP House', Opp. Celesta Courtyard,
Opp. Lane of Vikramnagar Colony, Iscon-Ambli Road, Ahmedabad - 380058
Tel No.: +91 79 26936200 / +91 79 26936300 / +91 9512044644
Website: www.pspprojects.com, E-mail: grievance@pspprojects.com

Notice of the 12th Annual General Meeting

Notice is hereby given that the 12th Annual General Meeting ('AGM') of the members of PSP Projects Limited will be held on Friday, September 18, 2020 at 11:00 a.m. IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), the venue of the meeting shall deemed to be the Registered Office of the company at 'PSP House', Opp. Celesta Courtyard, Opp. Lane of Vikramnagar Colony, Iscon-Ambli Road, Ahmedabad – 380058 to transact the following business:

Ordinary Business

Item No. 1 - To receive, consider and adopt -

- the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2020, together with the Reports of the Board of Directors and the Auditors thereon;
- the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2020, together with the Reports of Auditors thereon.

Item No. 2 - To confirm the Interim Dividend aggregating to ₹ 5/- per equity share, already paid for the financial year ended March 31, 2020

Item No. 3 - To appoint a director in place of Ms. Pooja P. Patel (DIN: 07168083), who retires by rotation and being eligible, offers herself for re-appointment.

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

"RESOLVED THAT pursuant to the provisions of section 152 of the Companies Act, 2013, Ms. Pooja P. Patel (DIN: 07168083) who retires by rotation and being eligible offers herself for re-appointment, be and is hereby re-appointed as a director of the company."

Special Business:

Item No. 4 - Re-appointment of Ms. Pooja P. Patel (DIN: 07168083), as the WholeTime Director of the company.

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, read with Schedule V of the

Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and any subsequent amendment / modification in the Rules, Act and/or applicable laws in this regard and pursuant to the provisions of Regulation 17(6) (e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable regulations, if any, approval of the members of the Company be and is hereby accorded for re-appointment of Ms. Pooja P. Patel (DIN: 7168083) as a Whole Time Director, designated as Executive Director of the company for a period of 5 (five) years from the expiry of her present term of office, i.e. with effect from September 1, 2020 on the terms and conditions including remuneration as detailed hereunder and as recommended by Nomination and Remuneration Committee ("Committee") and approved by the board of directors of the company (the Board), with liberty to the Board (including Committee) to alter and vary the terms and conditions of the said re-appointment /remuneration in such manner as deemed fit necessary.

Term and Conditions of Re-appointment

1. Designation:

WholeTime Director designated as Executive Director

2. Term of Appointment:

The term of appointment will be for 5 years; with effect from September 1, 2020 to August 31, 2025.

3. Remuneration

During her tenure starting from September 1, 2020, Ms. Pooja P. Patel will be paid remuneration as below:

a) Salary:

₹ 12,50,000/- per month, with such increment as may be recommended by the Nomination and Remuneration Committee and approved by the board at its absolute discretion from time to time with the total remuneration

(salary, perquisites, allowance, and benefits) payable in any financial year not exceeding 1% of the Net Profits of the company computed as per Section 198 of the Companies Act, 2013 during her tenure of 5 years.

b) Perquisites & Allowances

- Leave (including Leave Encashment): As per rules of the Company.
- Use of Car with Driver: The Company shall provide a car with driver for business and personal use. In addition, the Company shall also reimburse running and maintenance expenses of another car owned by, or leased/ rented to, the whole time director for business and personal use.
- Contribution to Gratuity Fund in accordance with the provisions of the Payment of Gratuity Act.
- Other perquisites and allowances and such other payments in the nature of perquisites, benefits and allowances as per the rules of the company in force from time to time or as may otherwise be decided by the Board.

c) Commission:

In addition to the salary, perquisites and allowances payable, a commission, as may be decided by the Board of directors at the end of each financial year calculated with reference to the net profits of the Company, subject to the overall ceiling stipulated in Sections 197, 198 read with Schedule V of the Companies Act, 2013 (including any subsequent amendment/ modification in the Rules, Act and/or applicable laws in this regard) may also be paid to her.

4. Other Terms and Conditions:

- Ms. Pooja P. Patel shall be liable to retire by rotation whilst she continues to hold office of Whole Time Director and her retirement will not break her length of service;
- Ms. Pooja P. Patel shall be entitled to the reimbursement of expenses actually and properly incurred by her, in the course of legitimate business of the Company and traveling, hotel and other expenses incurred by her in India and abroad, exclusively for the business of the Company;
- Ms. Pooja P. Patel will not be entitled to sitting fees for attending meetings of the Board and or Committees thereof;
- Ms. Pooja P. Patel shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors;
- Ms. Pooja P. Patel shall adhere to the Company's Code of Conduct;
- Her office shall be liable to termination with 3 months' notice from either side.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, the Company shall pay in respect of such financial year, the remuneration paid for immediately preceding financial year as minimum remuneration by way of salary, allowances, perquisites and other benefits, subject to the provisions of Schedule V of the Act and subject to necessary approvals, if any.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized do all such acts, deeds and things, as the Board may, in its absolute discretion, consider necessary, expedient or desirable including power to sub-delegate, in order to give effect to this resolution or as otherwise considered by the Board of directors to be in the best interest of the Company, as it may deem fit."

Item No. 5 – Revision in the terms of Remuneration payable to Mr. Sagar P. Patel (DIN: 07168126), Executive Director of the company

To consider and if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution:**

"RESOLVED THAT in modification of the earlier resolution passed by the members through Postal Ballot on November 25, 2019 and pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, read with Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and any subsequent amendment / modification in the Rules, Act and/or applicable laws in this regard and pursuant to the provisions of Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable regulations, if any, the approval of the members of the company be and is hereby accorded to the revision in the remuneration by way of salary, allowances and perquisites payable to Mr. Sagar P. Patel (DIN: 07168126) as Executive director of the company for the remaining period of his tenure of five years originally commencing from November 1, 2019, detailed as under:

a) Salary:

₹ 2,00,000/- per month, with such increment as may be recommended by the Nomination and Remuneration Committee and approved by the board of directors at its absolute discretion from time to time with the total remuneration (salary, perquisites, allowance, and benefits) payable in any financial year not exceeding 1% of the Net Profits of the company computed as per Section 198 of the Companies Act, 2013 during his remaining tenure.

b) Perquisites & Allowances

- Leave (including Leave Encashment): As per rules of the Company;
- Use of Car with Driver: The Company shall provide a car with driver for business and personal use. In addition, the Company shall also reimburse running and maintenance expenses of another car owned by, or leased/ rented to, the executive director for business and personal use.

- Contribution to Gratuity Fund in accordance with the provisions of the Payment of Gratuity Act.
- Other perquisites and allowances and such other payments in the nature of perquisites, benefits and allowances as per the rules of the company in force from time to time or as may otherwise be decided by the Board.

c) Commission:

In addition to the salary, perquisites and allowances payable, a commission, as may be decided by the Board of Directors at the end of each financial year calculated with reference to the net profits of the Company, subject to the overall ceiling stipulated in Sections 197, 198 read with Schedule V of the Companies Act, 2013 (including any subsequent amendment/ modification in the Rules, Act and/or applicable laws in this regard) may also be paid to him.

d) Other Terms and Conditions:

- Mr. Sagar P. Patel shall be liable to retire by rotation whilst he continues to hold office of Executive Director and his retirement will not break his length of service;
- Mr. Sagar P. Patel shall be entitled to the reimbursement of expenses actually and properly incurred by him, in the course of legitimate business of the Company and traveling, hotel and other expenses incurred by him in India and abroad, exclusively for the business of the Company;
- Mr. Sagar P. Patel will not be entitled to sitting fees for attending meetings of the Board and or Committees thereof;
- Mr. Sagar P. Patel shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors;
- Mr. Sagar P. Patel shall adhere to the Company's Code of Conduct;
- His office shall be liable to termination with 3 months' notice from either side.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, the Company shall pay in respect of such financial year, the remuneration paid for immediately

preceding financial year as minimum remuneration by way of salary, allowances, perquisites and other benefits, subject to the provisions of Schedule V of the Act and subject to necessary approvals, if any.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized do all such acts, deeds and things, as the Board may, in its absolute discretion, consider necessary, expedient or desirable including power to sub-delegate, in order to give effect to this resolution or as otherwise considered by the Board of directors to be in the best interest of the Company, as it may deem fit."

Item No. 6 - Ratification of Cost Auditors' remuneration.

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 and such other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration of ₹ 80,000/- (Rupees Eighty Thousand only) plus applicable taxes and reimbursement of out of pocket expenses at actuals, if any, incurred in connection with the audit, as recommended by the Audit Committee and approved by the Board of Directors, payable to M/s. K.V. Melwani & Associates., Practising Cost Accountant (Firm Registration No. 100497) as Cost Auditors to conduct the audit of the relevant Cost records of the Company as prescribed under the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, for the financial year ending March 31, 2021 be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

By **Order of the Board of Directors**
For **PSP Projects Limited**

Mittali Christachary
Company Secretary

Ahmedabad, August 5, 2020

Registered office:
'PSP House', Opp. Celesta Courtyard,
Opp. Lane of Vikramnagar Colony,
Iscon-Ambli Road, Ahmedabad – 380058
CIN: L45201GJ2008PLC054868

Notes:

1. In view of massive outbreak of COVID-19 pandemic, and the need of ensuring social distancing and pursuant to the General Circular numbers 14/2020, 17/2020 and 20/2020 dated April 08, 2020, April 13, 2020 and May 05, 2020 respectively issued by the Ministry of Corporate Affairs (MCA) and Circular number SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 issued by the Securities and Exchange Board of India (SEBI) (hereinafter collectively referred to as "the Circulars"), companies are allowed to hold AGM through VC, without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC/OAVM.
2. A member entitled to attend and vote at the AGM 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. Since the AGM is being held in accordance with the Circulars through VC, the facility for appointment of proxies by the members will not be available for this 12th AGM and hence, the Attendance slip and Proxy form are not annexed to this Notice.
3. In compliance with the aforesaid MCA Circulars and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, Notice of the AGM along with the Annual Report is being sent only through electronic mode to those Members whose email addresses are registered with the Company / Depositories. Members may note that the Notice and Annual Report will also be available on the Company's website www.pspprojects.com, website of stock exchanges i.e. BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com and on the website of National Securities Depository Limited at www.evoting.nsdl.com.
4. Participation of members through VC will be reckoned for the purpose of quorum for the AGM as per section 103 of the Companies Act, 2013 ("the Act").
5. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the special business under Item Nos. 4, 5 and 6 of the Notice, being considered unavoidable, is annexed hereto. The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this Annual General Meeting ("AGM") is also annexed.
6. All the documents referred to in the accompanying notice of the 12th AGM and the Explanatory Statements and other applicable statutory records will be available for inspection by the members at the Registered Office of the Company during normal business hours (10.00 a.m. to 6.00 p.m.) on working days up to the date of the AGM i.e. September 18, 2020. Such documents will also be available electronically for inspection by the members from the date of circulation of this notice upto the date of AGM and during the AGM i.e. September 18, 2020. Members seeking to inspect such documents can send an email to grievance@pspprojects.com
7. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their respective depository participants.
8. In terms of the provisions of Section 72 of the Act, the facility for making nomination is available for the Shareholders in respect of the shares held by them. Shareholders who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Shareholders holding shares in dematerialised form are requested to submit the said details to their Depository Participant(s) and the Shareholders holding shares in physical form, are requested to submit the said details to the Company or KFin Technologies Private Limited.
9. Members are requested to address all correspondence, including on dividends, to the Registrar and Share Transfer Agent, KFin Technologies Private Limited, Unit: PSP Projects Limited, Selenium Tower B. Plot 31-32, Financial, District: Nanakramguda, Serilingampally Mandal, Hyderabad – 500032. Tele. No: 1800 3454 001; email id: einward.ris@kfintech.com
10. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (IEPF). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. Members can correspond with the Registrar and Share Transfer Agent as mentioned above or the Company Secretary at the Company's registered office to claim their dividends that remain unclaimed. The details of the unclaimed dividends are also available on the Company's website at: (<https://www.pspprojects.com/track-record-of-dividend/>)
11. Members seeking any information with regard to the accounts are requested to write to the Company on or before Tuesday, September 15, 2020 through email at grievance@pspprojects.com.
12. SEBI has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members are, therefore, requested to submit their PAN to their depository participant(s).
13. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

14. VOTING THROUGH ELECTRONIC MEANS:

- a. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the SEBI Listing Regulations, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by National Securities Depositories Limited ('NSDL') on all the resolutions set forth in this Notice.
- b. The board of directors has appointed Mr. Rohit S. Dudhela, Practicing Company Secretaries (COP No. 7396) as the Scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner.
- c. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. Friday, September 11, 2020 only shall be entitled to avail the facility of remote e-voting as well as e-voting system during the AGM.
- d. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM through VC/OAVM but shall not be entitled to cast their vote again.
- e. Those Members, who will be present in the AGM through VC / OAVM and have not casted their vote through remote e-voting and are otherwise not barred from doing this, shall be eligible to vote through e-voting system during the AGM.

15. PROCEDURE AND INSTRUCTIONS FOR E-VOTING:

- a. The remote e-voting period begins on Tuesday, September 15, 2020 at 9.00 a.m. IST and ends on Thursday, September 17, 2020 at 5.00 p.m. IST and the remote e-voting module shall be disabled by NSDL for voting thereafter. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as on Friday, September 11, 2020 (cut-off date) may obtain the login Id and password by sending request at evoting@nsdl.co.in. However, if he/she is already registered with NSDL for remote e-voting then he/she can cast his/her vote by using existing User ID and password and by following the procedure as mentioned below.
- b. The details of process and manner for remote e-voting and e-voting during the AGM as under:

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

- 1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- 2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
- 3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

- 4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***.

- 5. Your password details are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the

email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.

7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
2. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in or contact Mr. Amit Vishal, Senior Manager – NSDL at amitv@nsdl.co.in /022-24994360 or Ms. Pallavi Mhatre, Manager, NSDL at pallavid@nsdl.co.in /022-24994545 or Ms. Sarita Mote, Assistant Manager-NSDL at SaritaM@nsdl.co.in / 022-24994890.

16. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC / OAVM:

- a. Members will be able to attend the AGM through VC / OAVM provided by NSDL at www.evoting.nsdl.com by using their remote e-voting login credentials and selecting the EVEN for Company's AGM.
- b. Members who do not have the User ID and Password for E-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in this Notice. Further, Members can also use OTP based login for logging into the e-Voting system of NSDL.
- c. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization letter etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization to be sent to the Scrutinizer by email at its registered email address to rs2003dudhela@yahoo.com with a copy marked to the company at grievance@pspprojects.com and evoting@nsdl.co.in.
- d. Facility of joining the AGM through VC / OAVM shall open 15 minutes before the time scheduled for the AGM and will be available for Members on first come first served basis.

- e. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered Email Id mentioning their name, DP ID and Client ID / Folio No., PAN, Mobile No. to the Company at grievance@pspprojects.com. from Wednesday, September 9, 2020 (from 9:00 a.m IST) to Sunday, September 13, 2020 (upto 5:00 p.m IST). Those Members who have registered themselves as a speaker will only be allowed to express their views / ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
- f. Please note that members connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches. Members are also encouraged to join the Meeting through Laptops for better experience.
- g. Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance in the meeting
- h. Members who need assistance before or during the AGM, can contact on evoting@nsdl.co.in/ 1800-222-990 or contact Mr. Amit Vishal, Senior Manager – NSDL at amitv@nsdl.co.in /022-24994360 or Ms. Pallavi Mhatre, Manager, NSDL at pallavid@nsdl.co.in /022-24994545 or Ms. Sarita Mote, Assistant Manager-NSDL at SaritaM@nsdl.co.in/ 022-24994890.

17. SCRUTINISER'S REPORT AND DECLARATION OF RESULTS

- a. The Scrutiniser shall, after the conclusion of e voting at the AGM, first scrutinise the votes cast vide e-voting at the AGM and thereafter shall, unblock the votes cast through remote e-voting. The Scrutiniser shall submit a Consolidated Scrutiniser's Report of the total votes cast in favour or against, not later than 48 (forty-eight) hours of the conclusion of the AGM, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- b. The results declared along with the Scrutiniser's Report shall be placed on the Company's website www.pspprojects.com and on the website of NSDL i.e. www.evoting.nsdl.com. The results shall simultaneously be submitted to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

Annexure to the Notice

Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013.

Item No. 4:

At the 7th Annual General Meeting of the company held on September 30, 2015, the members of the company had approved the appointment and terms of remuneration of Ms. Pooja P. Patel as the Executive Director of the company for a period of five years w.e.f September 1, 2015.

Based on the recommendation of the Nomination and Remuneration Committee in its meeting held on August 5, 2020, the board of directors has accorded its approval, subject to the approval of the members of the company for the re-appointment of Ms Pooja P. Patel as the WholeTime Director designated as an executive director of the Company with effect from September 1, 2020 till August 31, 2025. The terms and conditions of her re-appointment including remuneration as approved by the board of directors on the recommendation of the Nomination and Remuneration are enumerated in the resolution.

Moreover, the overall remuneration payable every year to the Managing Director and the Whole-time Directors by way of salary, perquisites and allowances etc., may in aggregate exceed the limits specified in Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, but shall not exceed the limits prescribed from time to time under Section 197, Section 198 and other applicable provisions of the Act and Rules made thereunder, read with Schedule V of the Act or any statutory

modification(s) or re-enactment thereof for the time being in force, or otherwise as may be permissible at law.

Ms. Pooja P. Patel, aged 27 years, holds a bachelor's degree in civil engineering from Gujarat Technological University and a post-graduate diploma in financial management from Ahmedabad Management Association. She has more than five years of experience in the field of construction and is actively involved in the execution of the Surat Diamond Bourse project of the company. Presently, her functional areas in the company include project planning, procurement and execution. She has also represented our Company in Indian Concrete Institute Chapter-1, Ahmedabad. It would be in the interest of the Company to continue to avail her valuable services and to re-appoint Ms. Pooja P. Patel as a Whole-time Director. Accordingly, approval of the members is sought for passing a Special Resolution for re-appointment of Ms. Pooja Patel as a Whole-time director designated as Executive Director as set out in Part-I of Schedule V to the Act as also under sub-section (3) of Section 196 of the Act.

Ms. Pooja P. Patel satisfies all the conditions set out in Part I of Schedule V of the Companies Act, 2013 and all conditions set out under Section 196(3) of the Act for being eligible for his reappointment. Further, he is not disqualified from being appointed as Director in terms of Section 164 of the Act.

The details of Ms. Pooja P. Patel as required under the provisions of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions are provided in Annexure to this Notice.

The above may be treated as a written memorandum setting out the terms of re-appointment of Ms. Pooja P. Patel under Section 190 of the Act.

None of the Directors, Key Managerial Personnel and relatives thereof other than Ms. Pooja P. Patel and her relatives, has any concern or interest, financial or otherwise, in the resolution set out at Item No. 4 of the Notice.

The board of directors recommends passing a Special resolution as set forth in Item No.4 of the notice for approval of the members.

Item No. 5

The members of the company through Postal Ballot on November 25, 2019 had appointed Mr. Sagar P. Patel as the Executive Director of the company for a period of five years w.e.f. November 1, 2019 to October 31, 2024 and approved the terms and conditions relating to his appointment, including remuneration payable to him during his tenure of five years.

The members had approved his remuneration with salary of ₹ 2,00,000/- (Rupees Two Lakhs only) per month with such increments/increase as may be decided by the Nomination and Remuneration Committee or Board of Directors from time to time subject to a maximum of 20% per year.

Further, taking into consideration his dedication, progress and performance evaluation, the board of directors based on the recommendation of the Nomination and Remuneration committee decided to revise the maximum limit of the remuneration payable to him during his remaining tenure. The revised remuneration alongwith the other terms and conditions as approved by the board of directors of the company based on the recommendation of the Nomination and Remuneration committee are enumerated in the resolution.

The total remuneration payable to him in any financial year shall not exceed 1% of the net profits during that financial year computed as per Section 198 of the Companies Act, 2013.

Moreover, the overall remuneration payable every year to the Managing Director and the Whole-time Directors by way of salary, perquisites and allowances etc., may in aggregate exceed the limits specified in Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, but shall not exceed the limits prescribed from time to time under Section 197, Section 198 and other applicable provisions of the Act and Rules made thereunder, read with Schedule V of the Act or any statutory modification(s) or re-enactment thereof for the time being in force, or otherwise as may be permissible at law.

None of the Directors, Key Managerial Personnel and relatives thereof other than Mr. Sagar P. Patel and his relatives, has any concern or interest, financial or otherwise, in the resolution set out at Item No. 5 of the Notice.

The board of directors recommends passing a Special resolution as set forth in Item No.5 of the notice for approval of the members.

Item No. 6

The Board on the recommendation of the Audit Committee has approved the re-appointment and remuneration of the Cost Auditors to conduct the audit of the Cost records of the Company for the financial year ending March 31, 2021 at a remuneration of ₹ 80,000 /- (Rupees Eighty Thousand Only) (same as immediately preceding financial year) plus applicable taxes and reimbursement of out of pocket expenses at actuals, if any, incurred in connection with the audit.

In accordance with the provisions of section 148 of the Act read with the Companies (Audit and Auditors) Rules 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, the board of directors recommends the passing an Ordinary Resolution as set forth in Item no. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the Financial Year ending March 31, 2021.

M/s. K.V. Melwani & Associates have furnished a certificate dated June 09, 2020 regarding their eligibility for reappointment as Cost Auditors of the Company.

None of the Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

By **Order of the Board of Directors**
For **PSP Projects Limited**

Mitali Christachary
Company Secretary

Ahmedabad, August 5, 2020

Registered office:

'PSP House', Opp. Celesta Courtyard,

Opp. Lane of Vikramnagar Colony,

Iscon-Ambli Road, Ahmedabad – 380058

CIN: L45201GJ2008PLC054868

Additional Information on Director recommended for appointment/ re-appointment at the 12th Annual General Meeting as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards-2 on General Meeting.

Name of the Director:	Ms. Pooja P. Patel
DIN:	07168083
Age:	27 years
Date of first appointment on the Board:	April 24, 2015
Qualifications :	Bachelor's degree in Civil Engineering; Post-graduate diploma in financial management
Experience and nature of his expertise in specific functional areas/ Brief resume:	More than five years of experience in the field of construction and has vast industry knowledge. Her functional areas include project planning, procurement and execution in our company.
Terms and Conditions of re-appointment along with details of remuneration sought to be paid:	As per resolution at Item no. 4 of the AGM notice read with explanatory statement thereto. She is proposed to be re-appointed as the WholeTime Director designated as an executive director.
Remuneration last drawn (2019-20) (including sitting fees, if any):	₹ 102 Lakhs (refer Annexure B to the Board's report)
Memberships/ Chairmanships of committees of the company (PSP) (includes only Audit Committee and Stakeholders' Relationship Committee)	Member of Stakeholder Relationship committee
Directorships held in other public companies (excluding foreign companies and Section 8 companies):	Nil
Memberships/ Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders' Relationship Committee):	Nil
Disclosure of inter-se relationship between directors and Key Managerial Personnel:	Daughter of Mr. Prahaladbhai S. Patel and Sister of Mr. Sagar P. Patel
Number of board meetings attended during the financial year (2019-20):	6
Number of shares held in the Company (as on 31-03-2020):	10,00,000 equity shares

For more details, please refer to the corporate governance report which forms part of this Annual Report.

By **Order of the Board of Directors**
For **PSP Projects Limited**

Mittali Christachary
Company Secretary

Ahmedabad, August 5, 2020

Registered office:
'PSP House', Opp. Celesta Courtyard,
Opp. Lane of Vikramnagar Colony,
Iscon-Ambli Road, Ahmedabad – 380058
CIN: L45201GJ2008PLC054868



PSP Projects Ltd.

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