



BGR ENERGY SYSTEMS LIMITED

443 ANNA SALAI, TEYNAMPET, CHENNAI 600018 INDIA

TEL: 91 44 24301000 FAX: 91 44 24360576

E-mail: compliance@bgrenergy.com Web site: www.bgrcorp.com

September 07, 2023

National Stock Exchange of India Limited
Listing Department
Exchange Plaza, Bandra Kurla Complex,
Bandra (E), Mumbai- 400051

BSE Limited
Department of Corporate Services
P J Towers, Dalal Street,
Fort, Mumbai- 400001

NSE Symbol: BGREENERGY

BSE Scrip: 532930

Dear Sir/Madam,

Sub: Annual Report for the Financial Year 2022-23 and Notice of 37th Annual General Meeting

The 37th Annual General Meeting of the Company will be held on Friday, September 29, 2023 at 12.30 p.m. through Video Conferencing / Other Audio Visual Means.

The Annual Report for the Financial Year 2022-23 along with the Notice of the 37th Annual General Meeting are being dispatched electronically to those Members whose e-mail addresses are registered with the Company, Register and Share Transfer Agent and Depositories, as the case may be. The same are being uploaded in the website of the Company and can be accessed at https://www.bgrcorp.com/annual_report2023.php.

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith the PDF versions of Notice of 37th Annual General Meeting of the Company and the Annual Report for the Financial Year 2022-23.

Kindly take the above on record.

Thanking you,

**Yours truly,
For BGR Energy Systems Limited**

KRISHNA
KUMAR

**S.Krishna Kumar
President & Company Secretary**

Encl.: As above

REGISTERED OFFICE:

A-5 PANNAMGADU INDUSTRIAL ESTATE, RAMAPURAM POST, SULURPET TALUK, NELLORE DISTRICT, ANDHRA PRADESH 524401 INDIA. TEL: 91 44 27948249

Corporate Identity Number: L40106AP1985PLC005318



BGR ENERGY SYSTEMS LIMITED

Regd. Office: A-5, Pannamgadu Industrial Estate, Ramapuram Post, Sullurpet Taluk, Nellore District.
Andhra Pradesh - 524 401, CIN: L40106AP1985PLC005318
Ph: 044-27948249 Email: investors@bgrenergy.com website: www.bgrcorp.com

NOTICE OF THE THIRTY SEVENTH ANNUAL GENERAL MEETING

Notice is hereby given that the Thirty Seventh Annual General Meeting of BGR Energy Systems Limited will be held on **Friday, September 29, 2023, at 12:30 p.m. (IST)** through Video Conferencing/Other Audio-Visual Means, to transact the following businesses:

ORDINARY BUSINESS:

1. ADOPTION OF AUDITED STANDALONE FINANCIAL STATEMENTS

To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2023, together with the Reports of the Board of Directors and Auditors thereon. To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2023 and the Reports of the Board of Directors and Auditors thereon, as circulated to the Members, be considered and adopted.”

2. ADOPTION OF AUDITED CONSOLIDATED FINANCIAL STATEMENTS

To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2023, together with the Report of the Auditors thereon. To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2023 and the Report of the Auditors thereon, as circulated to the Members, be considered and adopted.”

3. APPOINTMENT OF MR. ARJUN GOVIND RAGHUPATHY (DIN: 02700864) AS DIRECTOR, LIABLE TO RETIRE BY ROTATION

To appoint a Director in place of Mr.Arjun Govind Raghupathy (DIN: 02700864) who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and being eligible, seeks re-appointment. To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT Mr.Arjun Govind Raghupathy (DIN: 02700864), who retires by rotation and being eligible for re-appointment, be re-appointed as a Director of the Company.”

SPECIAL BUSINESS:

4. RATIFICATION OF COST AUDITOR’S REMUNERATION FOR FY 2023-24

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of section 148 and 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(s) thereof, for the time being in force), the Company hereby ratifies the remuneration of Rs.1,50,000/- (Rupees One Lakh Fifty Thousand only) plus applicable taxes and reimbursement of out-of-pocket expenses, payable to M/s.JV Associates, Cost and Management Accountants (Firm Registration No. 100212), who are appointed by

the Board of Directors of the Company as Cost Auditors, to conduct the audit of the cost records maintained by the Company for the financial year ending March 31, 2024.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) be and is hereby authorized to do all acts and take all such steps as may be necessary, proper, or expedient to give effect to this resolution.”

NOTES

1. The Ministry of Corporate Affairs (“MCA”) *inter-alia* vide its General Circular Nos. 14/ 2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, followed by General Circular Nos. 20/2020 dated May 5, 2020, and subsequent circulars issued in this regard, the latest being 10/2022 dated December 28, 2022 (collectively referred to as “**MCA Circulars**”) has permitted the holding of the Annual General Meeting through Video Conferencing (“**VC**”) or through Other Audio-visual Means (“**OAVM**”), **without the physical presence of the Members at a common venue.**

In compliance with the provisions of the Companies Act, 2013 (“**the Act**”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”) and MCA Circulars, the 37th Annual General Meeting (“**Meeting**” or “**AGM**”) of the Company is being held through VC/OAVM on Friday, September 29, 2023, at 12:30 p.m. (IST). The proceedings of the AGM deemed to be conducted at the Registered Office of the Company situated at A-5, Pannamgadu Industrial Estate, Ramapuram Post, Sullurpet Taluk, Nellore District, Andhra Pradesh – 524 401.

2. **PURSUANT TO THE PROVISIONS OF THE ACT, 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 THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC OR OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH.

ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF THE AGM ARE NOT ANNEXED TO THIS NOTICE.

3. Institutional Investors, who are Members of the Company, are encouraged to attend and vote at the AGM through VC/OAVM facility. Corporate Members/ Institutional Investors (i.e. other than Individuals, HUFs, NRIs etc.) who are intending to appoint their authorized representatives pursuant to sections 112 and 113 of the Act, as the case may be, to attend the AGM through VC / OAVM or to vote through remote e-voting are requested to send a certified copy of the Board Resolution to the Scrutinizer by e-mail at rsaevoting@gmail.com with a copy marked to evoting@nsdl.co.in and investors@bgrenergy.com **not later than 48 hours before the scheduled time of the commencement of the Meeting.** Corporate Members/Institutional Shareholders (i.e. other than Individuals, HUFs, NRIs etc.) can also upload their Board Resolution/Power of Attorney/Authority Letter etc. by clicking on the “Upload Board Resolution/ Authority Letter” displayed under the “e-voting” tab in their login.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under section 103 of the Act.
5. As per the provisions of Clause 3.A.II. of the General Circular No. 20/ 2020 dated May 5, 2020, the matters of Special Business as appearing at Item No. 4 of the accompanying Notice, is considered to be unavoidable by the Board and hence, forming part of this Notice.
6. The Explanatory Statement according to section 102 of the Act setting out material facts concerning the business under Item No. 4 of the Notice is annexed hereto. The relevant details, pursuant to Regulation 36(3) of the Listing Regulations and SS-2 Secretarial Standard on General Meeting issued by the Institute of Company Secretaries of India, in respect of a Director seeking re-appointment at the AGM are provided as an annexure to the Notice. Requisite declarations have been received from a Director for seeking re-appointment.
7. **The Members can join the AGM in the VC/OAVM mode by following the procedure mentioned in the Notice 30 minutes before the scheduled time of commencement of the Meeting and shall be kept open throughout the AGM.** Pursuant to Regulation 44(6) of Listing Regulations, the Company is also providing a live webcast of the proceedings of the AGM. The Members will be able to view the proceedings on National Securities Depository Limited’s (‘NSDL’) e-voting website at www.evoting.nsdl.com. The facility of participation at the AGM through VC/

OAVM will be made available to at least 1,000 Members on a first come first served basis as per the MCA Circulars. This will not include large shareholders (shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, Auditors etc. who are allowed to attend the AGM, without restriction on account of a first come first served basis.

8. In compliance with the aforesaid MCA Circulars and Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 and SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 issued by SEBI, the Notice convening the AGM and Annual Report are being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories.
9. The Notice convening the AGM and Annual Report have been uploaded on the website of the Company at www.bgrcorp.com and may also be accessed from the relevant section of the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited www.bseindia.com and www.nseindia.com. The same are also available on the website of NSDL at www.evoting.nsdl.com
10. In terms of Regulation 40(1) of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. Further, SEBI had fixed March 31, 2021, as the cut-off date for the re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in dematerialized mode. The requests for effecting transfer/transmission/transposition of securities shall not be processed unless the securities are held in the dematerialized form. Transfers of equity shares in electronic form are effected through the Depositories with no involvement of the Company. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company's Registrar and Transfer Agent, Link Intime India Private Limited ("**Registrar**" or "**RTA**" or "**Link Intime**") at rnt.helpdesk@linkintime.co.in for assistance in this regard.
11. Members are requested to intimate changes, if any, about their name, postal address, e-mail address, telephone/mobile numbers, PAN, power of attorney registration, bank mandate details, etc. to their Depository Participant ("DP") in case the shares are held in electronic form and to the RTA in case the shares are held in physical form, in prescribed **Form No. ISR-1**, quoting their folio number and enclosing the self-attested supporting document. Further, Members may note that SEBI has mandated the submission of PAN by every participant in the securities market.
12. As per the provisions of section 72 of the Act, the facility for making a nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nominations are requested to register the same by submitting **Form No. SH-13**. If a Member desires to cancel the earlier nomination and record a fresh nomination, he may submit the same in **Form No. SH-14**. Members who are either not desiring to register for Nomination or would want to opt-out, are requested to fill out and submit **Form No. ISR- 3**. The said forms can be downloaded from the RTA's website at <https://www.linkintime.co.in>. Members are requested to submit the said form to their DP in case the shares are held in electronic form and to the RTA in case the shares are held in physical form, quoting their folio no.
13. The format of the Register of Members prescribed by the MCA under the Act requires the Company/ RTA to record additional details of Members, including their PAN details, e-mail address, bank details for payment of dividends, etc. **Form No. ISR-1** for capturing additional details is available on the Company's website. Members holding shares in physical form are requested to submit the filled-in **Form No. ISR-1** to the RTA in physical mode.
14. Members holding shares in electronic form are requested to submit the details to their respective DP only and not to the Company or RTA. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates and self- attested copies of the PAN card of the holders for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making the requisite changes. The consolidation will be processed in demat form.
15. During the AGM, Members may access the electronic copy of the Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of the Act and the Register of Contracts and Arrangements in which Directors are interested maintained under section 189 of the Act. Members desiring inspection of statutory

registers and other relevant documents may send their request in writing to the Company at investors@bgrenergy.com latest by **Thursday, September 28, 2023 (upto 3:00 p.m.)**.

16. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified from time to time.
17. To support the 'Green Initiative', Members who have not yet registered their e-mail address are requested to register the same with their DP in case the shares are held by them in electronic form and with the Company in case the shares are held by them in physical form.
18. **Process for those shareholders whose e-mail address are not registered with the Depositories/the Company for procuring User ID and Password and registration of e-mail address for e-voting for the resolutions set out in this Notice:**
 - a. In case shares are held in physical form, please provide folio no., name of member, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to the Company's e-mail address at investors@bgrenergy.com.
 - b. In case shares are held in demat mode, please provide DPID-Client ID (16-digit DPID + Client ID or 16-digit beneficiary ID), name, client master or copy of Consolidated Account Statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to the Company's e-mail address at investors@bgrenergy.com.
 - c. The individual shareholders holding securities in demat mode are requested to follow steps mentioned below in Para 29 under Step 1 (A) i.e. "Login method for remote e-voting and joining the virtual meeting for individual shareholders holding securities in demat mode".
 - d. Alternatively, Members may send a request to NSDL at evoting@nsdl.co.in for procuring User ID and Password for e-voting by providing above mentioned documents.
 - e. In terms of the SEBI circular dated December 9, 2020, on the e-voting facility provided by listed companies, individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and DPs. Shareholders are required to update their mobile number and e-mail address correctly in their demat account to access the e-voting facility.
19. **Registration of e-mail address permanently with Company/DP:** Members are requested to register the same with their concerned DPs, in respect of electronic holding and with RTA, in respect of physical holding, by submitting the **Form No. ISR-1**, duly filled and signed by the holders. Further, those Members who have already registered their e-mail address are requested to keep their e-mail address validated/updated with their DPs/Link Intime to enable servicing of notices/documents/Annual Reports and other communications electronically to their e-mail address in the future.
20. According to the provisions of section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of Listing Regulations (as amended), and the MCA Circulars, the Company is providing the facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with NSDL for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using a remote e-voting system as well as e-voting during the AGM will be provided by NSDL.
21. Members of the Company holding shares either in physical form or in electronic form as of the cut-off date of **Friday, September 22, 2023 (cut-off date not earlier than 7 days before the AGM)**, may cast their vote by **remote e-voting. The remote e-voting period commences on Tuesday, September 26, 2023, at 9:00 a.m. (IST) and ends on Thursday, September 28, 2023, at 5:00 p.m. (IST)**. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. The voting rights of the Members (for voting through remote e-voting before the AGM and e-voting during the AGM) shall be in proportion to their share of the paid-up equity share capital of the Company as of the **cut-off date of Friday, September 22, 2023**. Subject to receipt of the requisite number of votes, the Resolutions passed by remote e-voting are deemed to have been passed as if they have been passed at the AGM

- i.e., **Friday, September 29, 2023**. The Notice of the AGM indicating the instructions for the remote e-voting process can be downloaded from the NSDL's website www.evoting.nsdl.com or the Company's website www.bgrcorp.com.
22. Members will be provided with the facility for voting through an electronic voting system during the VC proceedings at the AGM and Members participating at the AGM, who have not already cast their vote by remote e-voting, will be eligible to exercise their right to vote during such proceedings of the AGM. Members who have cast their vote by remote e-voting prior to the AGM will also be eligible to participate at the AGM but shall not be entitled to cast their vote again on such resolutions for which the member has already cast the vote through remote e-voting.
 23. A person whose name is recorded in the Register of Members or the Register of Beneficial Owners maintained by the Depositories as on the cut-off date i.e. **Friday, September 22, 2023**, shall be entitled to avail the facility of remote e-voting before the AGM as well as e-voting during the AGM. Any person holding shares in physical form and non-individual shareholders, who acquire shares of the Company and becomes a Member of the Company after the dispatch of this Notice and holding shares as on the cut-off date, i.e. **Friday, September 22, 2023**, may obtain the User ID and Password by sending a request along with the requisite documents as mentioned in para 18 above, at evoting@nsdl.co.in. However, if you are already registered with NSDL for remote e-voting, then you can use your existing User ID and Password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or contact at 022 - 4886 7000 and 022 - 2499 7000. In the case of individual shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. **Friday, September 22, 2023**, may follow steps mentioned in Para 29 below under Step 1 (A) i.e. "Login method for remote e-voting and joining the virtual meeting for individual shareholders holding securities in demat mode.
 24. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting, by use of e-voting system for all those Members who are present during the AGM through VC/OAVM but have not cast their votes by availing the remote e-voting facility. The e-voting module during the AGM shall be disabled by NSDL for voting 15 minutes after the conclusion of the Meeting.
 25. M/s.R.Sridharan & Associates, Practicing Company Secretaries has been appointed as the Scrutinizer by the Board for providing a facility to the Members of the Company to scrutinize the remote e-voting process before the AGM as well as remote e-voting during the AGM fairly and transparently.
 26. The Scrutinizer will submit their report to the Chairperson or any other person authorized by the Chairperson after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes cast through remote e-voting), not later than 2 working days from the conclusion of the AGM. The result declared along with the Scrutinizer's Report shall be communicated to the stock exchanges on which the Company's shares are listed, NSDL, and RTA, and will also be displayed on the Company's website at www.bgrcorp.com.
 27. Members are encouraged to submit their questions in advance concerning the financial statements or any other matter to be placed at the AGM, from their registered e-mail address, mentioning their name, DP ID and Client ID number/folio number, and mobile number, to reach the Company's e-mail address at investors@bgrenergy.com before **5.00 p.m. (IST) on Monday, September 25, 2023**. Queries that remain unanswered at the AGM will be appropriately responded to by the Company at the earliest, post the conclusion of the AGM.
 28. Members who would like to express their views/ask questions as a speaker at the Meeting may pre-register themselves by sending a request from their registered e-mail address mentioning their name, DP ID and Client ID/folio number, PAN, and mobile number at investors@bgrenergy.com **between Friday, September 22, 2023 (9:00 a.m. IST) and Tuesday, September 26, 2023 (5:00 p.m. IST)**. **Only those Members who have pre-registered themselves as a speaker on the dedicated e-mail address investors@bgrenergy.com will be allowed to express their views/ask questions during the AGM.**

When a pre-registered speaker is invited to speak at the meeting but he/she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/camera along with good internet speed.

The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, for smooth conduct of the AGM.

29. **THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING, VOTING DURING THE MEETING, AND JOINING THE ANNUAL GENERAL MEETING ARE AS UNDER:**

The remote e-voting period begins on Tuesday, September 26, 2023, at 9:00 a.m. (IST) and ends on Wednesday, September 28, 2023, at 5:00 p.m. (IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members/Beneficial Owners as on the record date (cut-off date) i.e. Friday, September 22, 2023 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as of the cut-off date, Friday, September 22, 2023

How to vote electronically using the NSDL e-voting system? The way to vote electronically on the NSDL e-voting system consists of “Two Steps” which are mentioned below:



STEP 1: ACCESS TO NSDL E-VOTING SYSTEM

(A) Login method for e-voting and joining the virtual meeting for individual shareholders holding securities in demat mode

In terms of the SEBI circular dated December 9, 2020 on e-voting facility provided by listed companies, individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and e-mail address in their demat accounts in order to access e-voting facility.

Login method for individual shareholders holding securities in demat mode is given below:

Type of Shareholders	Login Method
Individual shareholders holding securities in demat mode with NSDL.	1. If you are already registered for NSDL IDeAS facility , please visit the e-services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com/ either on a personal computer or on a mobile. Once the home page of e-services is launched, click on the “ Beneficial Owner ” icon under “Login” which is available under “ IDeAS ” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on “Access to e-voting” under e-voting services and you will be able to see e-voting page. Click on options available against company name or e-voting service provider - NSDL and you will be re-directed to NSDL e-voting website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.
	2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com . Select “ Register Online for IDeAS ” Portal or click at https://eservices.nsd.com/SecureWeb/ IdeasDirectReg.jsp
	3. Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a personal computer or on a mobile. Once the home page of e-voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on options available against company name or e-voting service provider - NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.

Type of Shareholders	Login Method
	<p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p>NSDL Mobile App is available on</p> <p>AppStore Google Play</p>  
<p>Individual shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> Existing users who have opted for Easi/Easiest, they can login through their User ID and Password. Option will be made available to reach e-voting page without any further authentication. The URL for users to login to Easi/Easiest are https://web.cdslindia.com/myeasinew/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E-Voting Menu. The Menu will have links of e-voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered mobile & e-mail as recorded in the demat account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-voting is in progress.
<p>Individual shareholders (holding securities in demat mode) login through their Depository Participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. Once logged-in, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on options available against company name or e-voting service provider-NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.</p>
<p>Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.</p>	
<p>Helpdesk for individual shareholders holding securities in demat mode for any technical issues related to login through Depositories i.e. NSDL and CDSL:</p>	
<p>Individual shareholders holding securities in demat mode with NSDL</p>	<p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or contact at 022 - 4886 7000 and 022 - 2499 7000</p>
<p>Individual shareholders holding securities in demat mode with CDSL</p>	<p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 1800 22 55 33</p>

(B) Login Method for shareholders other than individual shareholders holding securities in demat mode and shareholders holding securities in physical mode: **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 ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP 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:
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*****.
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*****
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 123901 then user ID is 123901001***

5 Password details for shareholders other than individual shareholders 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 e-mail address is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your e-mail address. Trace the e-mail sent to you from NSDL from your mailbox. Open the e-mail 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 e-mail address is not registered, please follow steps mentioned below in **process for those shareholders whose e-mail address are not registered.**
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 etc.
 - (d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.
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.

STEP 2: CAST YOUR VOTE ELECTRONICALLY AND JOIN GENERAL MEETING ON NSDL E-VOTING SYSTEM

How to cast your vote electronically and join General Meeting on NSDL e-voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “**EVEN 125942**” of company (BGR Energy Systems Limited) for which you wish to cast your vote during the remote e-voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-voting as the Voting Page opens.
4. 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.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

GENERAL GUIDELINES FOR SHAREHOLDERS

- a) Institutional Investors, who are Members of the Company, are encouraged to attend and vote at the AGM through VC/OAVM facility. Corporate Members/ Institutional Investors (i.e. other than individuals, HUF’s, NRI’s etc.) who are intending to appoint their authorized representatives pursuant to sections 112 and 113 of the Act, as the case may be, to attend the AGM through VC / OAVM or to vote through remote e-voting are requested to send a certified copy of the Board Resolution to the Scrutinizer by e-mail at rsaevoting@gmail.com with a copy marked to evoting@nsdl.co.in and investors@bgrenergy.com , **not later than 48 hours before the scheduled time of the commencement of the Meeting.** Corporate Members/ Institutional Shareholders (i.e. other than Individuals, HUF’s, NRI’s etc.) can also upload their Board Resolution/Power of Attorney/Authority Letter etc. by clicking on “Upload Board Resolution/ Authority Letter” displayed under “e-voting” tab in their login.
 - b) 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.
 - c) 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 022 - 4886 7000 and 022 - 2499 7000 or send a request at evoting@nsdl.co.in.
30. **THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:**
- a. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
 - b. Only those Members/Shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM.

- c. Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- d. The details of the person who may be contacted for any grievances connected with the facility for e-voting on the day of the AGM shall be the same person mentioned for remote e-voting.

31. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

- i. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-voting system. Members may access by following the steps mentioned above for **Access to NSDL e-voting system**. After successful login, you can see link of “VC/OAVM” placed under “**Join General Meeting**” menu against company name. You are requested to click on VC/ OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the 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 the Notice to avoid last minute rush.
- ii. Members are encouraged to join the Meeting through laptops for better experience.
- iii. Further, speakers will be required to allow camera and use internet with a good speed to avoid any disturbance during the meeting.
- iv. Please note that participants connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective networks. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

By Order of the Board of Directors

Sd/-

S.Krishna Kumar
President & Company Secretary
(Membership No.A12678)

Chennai
August 11, 2023

Registered Office:
A-5, Pannamgadu Industrial Estate,
Ramapuram Post, Sullurpet Taluk,
Nellore District, Andhra Pradesh – 524 401
CIN – L40106AP1985PLC005318
E-mail id: investors@bgrenergy.com.
Website address: www.bgrcorp.com

EXPLANATORY STATEMENT FOR ITEM.NO.4 OF THE NOTICE

As required by section 102 of the Act, the following explanatory statement sets out all material facts relating to the special business mentioned under Item No.4 of the accompanying Notice.

Item No. 4 : Ratification of Cost Auditor's Remuneration for FY 2023-24

As per the provisions of section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company is required to have an audit of its cost records conducted by a cost accountant in practice for products covered under the Companies (Cost Records and Audit) Rules, 2014. The Board, based on the recommendation of the Audit Committee, has approved the appointment of M/s.JV Associates, Cost & Management Accountants (Firm Registration No.100212), as the Cost Auditors to conduct the audit of the cost records of the Company, for the financial year ending March 31, 2024, at a remuneration of Rs.1,50,000/- (Rupees One Lakh Fifty Thousand only) plus applicable taxes and reimbursement of reasonable out-of-pocket expenses.

In accordance with section 148(3) of the Act, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors, as recommended by the Audit Committee and approved by the Board of Directors, is required to be ratified by the Members of the Company. Accordingly, the consent of the Members is sought for passing an Ordinary Resolution as set out in Item No.4 of the Notice.

The Board commends ratification of remuneration of Cost Auditors, as set out in Resolution No.4 of the Notice for approval by the Members as an Ordinary Resolution.

None of the Director, Key Managerial Personnel, or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said Resolution.

By Order of the Board of Directors

Sd/-

S.Krishna Kumar
President & Company Secretary
(Membership No.A12678)

Chennai
August 11, 2023

Registered Office:
A-5, Pannamgadu Industrial Estate,
Ramapuram Post, Sullurpet Taluk,
Nellore District, Andhra Pradesh – 524 401
CIN – L40106AP1985PLC005318
E-mail id: investors@bgrenergy.com.
Website address: www.bgrcorp.com

ANNEXURE TO THE NOTICE

Details of Director seeking re-appointment at the 37th Annual General Meeting as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 & Clause 1.2.5 of Secretarial Standard on General Meetings

Name of the Director	Mr. Arjun Govind Raghupathy
DIN	02700864
Date of Birth	26.12.1989
Date of Appointment	11.11.2016
Qualification	B.E
Expertise in Specific Functional Areas	Mr. Arjun is an engineering graduate from Anna University. He has been a Director from 2016. He is also the Managing Director of the Company. He has expertise and in-depth knowledge in business operations, client interaction and he is the guiding force of the Company in achieving business targets and enduring goals.
List of Directorship/ Membership of Committees or other position held in other Listed Companies	Nil
Chairmanship(s)/Membership(s) of Committees in other listed Companies	Nil
No. of shares held in the Company	4,302 Equity Shares of Rs.10/- each
Relationship with other Directors or KMP of the Company	Son of Mrs. Sasikala Raghupathy, Chairperson of the Board.
Number of meetings of the Board attended	Furnished in Corporate Governance Report.



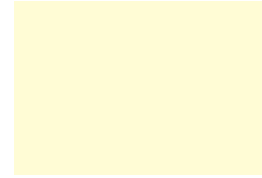
Environmental Engineering

**37th ANNUAL REPORT
2022-23**

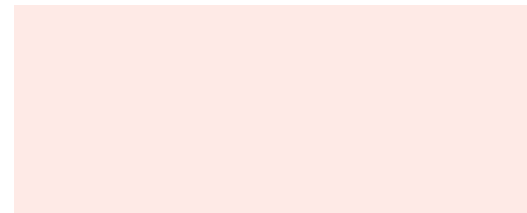


Oil & Gas Equipment

**RELIABLE
PARTNER
FOR
COMPLETE
TURNKEY
SOLUTIONS**



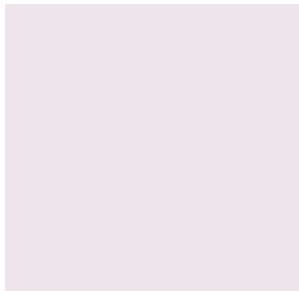
Air Fin Cooler



Power Projects



Civil Projects



Electrical Projects

BTG Area



CHP Area



Water Systems



IDCT & CW Area



Switchyard



Stacker Reclaimer



Ash Compressor House



Track Hopper



Ash Pond



ADPL



Chimney



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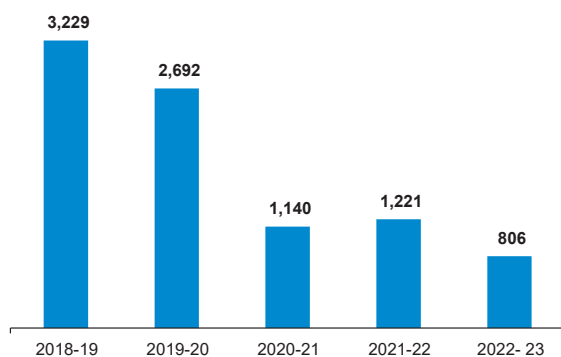
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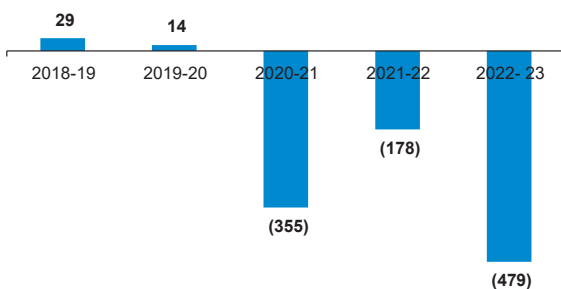
Financial Highlights

(₹ in Crores except per share data)

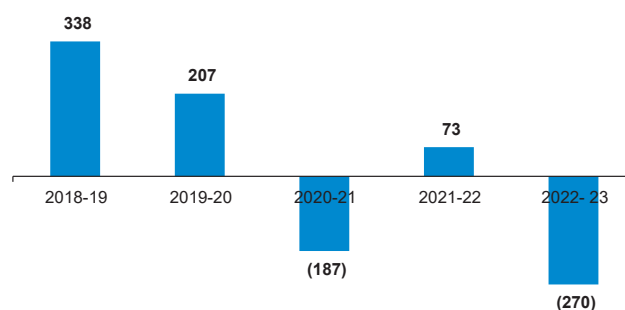
DESCRIPTION	2018-19	2019-20	2020-21	2021-22	2022- 23
SALES & EARNINGS:-					
Sales	3,229	2,692	1,140	1,221	806
Other Income	1	41	6	8	51
EBIDTA	338	207	(187)	73	(270)
PAT	29	14	(355)	(178)	(479)
ASSETS					
Fixed Assets	177	163	130	96	84
Investments	364	359	360	360	360
Other Asset (Net)	3,334	3,283	2,651	2,386	1,800
Total Assets	3,875	3,806	3,141	2,842	2,245
FUNDED BY					
Equity Share Capital	72	72	72	72	72
Reserves & Surplus	1,334	1,345	991	810	331
Networth	1,406	1,417	1,063	882	403
Deferred Taxes	344	259	140	81	-
Borrowings	2,124	2,130	1,938	1,878	1,841
Total Liabilities	3,875	3,806	3,141	2,842	2,245
EPS (RS.)	4.03	1.87	(49.25)	(24.68)	(66.32)
Dividend per equity Share (Rs.)	-	-	-	-	-



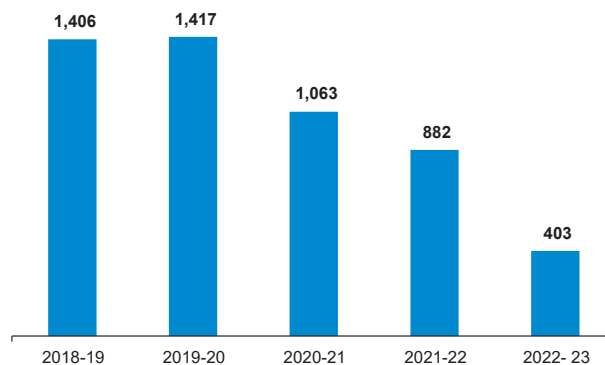
Sales (Rs.in Crores)



PAT (Rs.in Crores)



EBIDTA (Rs. in Crores)



Networth (Rs. in Crores)

BOARD OF DIRECTORS

Sasikala Raghupathy
Non-Executive Chairperson

M. Gopalakrishna
Independent Director

S. A. Bohra
Independent Director

S. R. Tagat
Independent Director

Gnana Rajasekaran
Independent Director

Arjun Govind Raghupathy
Managing Director

PRESIDENT & CHIEF FINANCIAL OFFICER

P. R. Easwar Kumar

PRESIDENT & COMPANY SECRETARY

S.Krishna Kumar

REGISTERED OFFICE

A-5, Pannamgadu Industrial Estate
Ramapuram Post, Sullurpet Taluk
Nellore District,
Andhra Pradesh – 524401
CIN : L40106AP1985PLC005318

CORPORATE OFFICE

443, Anna Salai, Teynampet
Chennai – 600 018 India
Phone : 91 44 24301000
Email : investors@bgrenergy.com

Website

www.bgrcorp.com

REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Private Limited
C-101, 247 Park, L B S Marg,
Vikhroli (west)
Mumbai – 400083
Email: rnt.helpdesk@linkintime.co.in
website: www.linkintime.co.in

STATUTORY AUDITORS

Anand & Ponnappan
Chartered Accountants
No.46B 'Krishna Complex' 4th Floor
South Boag Road, T.Nagar
Chennai – 600 017

INTERNAL AUDITORS

R Bupathy & Co
Chartered Accountants
VIBGYOR, First Floor,
#139, Kodambakkam High Road
Nungambakkam,
Chennai – 600 034

SECRETARIAL AUDITORS

V Suresh Associates
No.28, 1ST Floor
Ganapathy Colony 3rd Street,
Teynampet
Chennai - 600018

BANKERS

State Bank of India
Axis Bank
Bank of Baroda
Bank of India
Central Bank of India
Canara Bank
Export Import Bank of India
ICICI Bank
IDBI Bank
Indian Bank
Kotak Mahindra Bank
Punjab National Bank
Union Bank of India

Board's Report

To the Members of

BGR ENERGY SYSTEMS LIMITED

Your directors have pleasure in presenting their 37th Annual Report together with the audited financial statements for the financial year ended March 31, 2023.

FINANCIAL RESULTS

The highlights of the standalone financial performance of the Company during the financial year ended March 31, 2023 as compared with the previous financial year ended March 31, 2022 are given below:

(Rs. in Crore)

Description	2022-23	2021-22
Income from operations	806.27	1220.70
Other income	51.29	8.14
Total income	857.56	1228.84
Earnings before interest, depreciation, tax and amortization	(270.32)	73.12
Profit before exceptional item and tax	(635.19)	(236.41)
Tax expense	(156.65)	(58.34)
Net profit after tax	(478.54)	(178.07)
Other comprehensive income (net)	(0.18)	(3.08)
Net Worth	403.22	881.95

DIVIDEND AND APPROPRIATION

In view of losses incurred by the Company for the financial year 2022-23, the Board of Directors have not recommended any dividend for the year.

TRANSFER TO RESERVE

Due to losses in the financial year 2022-23, no amount has been transferred to reserves.

COMPANY'S OPERATING PERFORMANCE AND STATE OF AFFAIRS

The Company's operating performance and state of affairs have been discussed in Management Discussion and Analysis Report which is enclosed as Annexure I of this Report.

SUBSIDIARIES AND JOINT VENTURES

BGR Boilers Private Limited, which supplies 660 MW super critical steam generators, made an operating income of Rs.1.98 crore and incurred a loss of Rs.9.10 crore in the year

2022-23. BGR Turbines Company Private Limited, which supplies 800MW super critical steam turbine generators, has recorded an operating income of Rs. 0.49 crores and a loss of Rs.0.24 crore in the year 2022-23. There has been no material change to the financial position of the wholly owned subsidiary, Sravanaa Properties Limited.

A report on the performance and financial position of each of the subsidiaries and joint venture as per Rule 5 of the Companies (Accounts) Rules, 2014 is provided as annexure to the consolidated financial statements as required under Rule 8(1) of the Companies (Accounts) Rules, 2014.

CONSOLIDATED FINANCIAL STATEMENT

In accordance with the Companies Act, 2013 and implementation requirements of Indian Accounting Standards (Ind AS) Rules on accounting and disclosure requirements, the Audited Consolidated Financial Statements are provided in this Annual Report.

As required under Section 129 of the Companies Act, 2013, a separate statement containing the salient features of the financial statements of subsidiaries is enclosed along with the consolidated financial statements.

In terms of Section 136 of the Companies Act, 2013, the Company has placed on its website the standalone and consolidated financial statements of the Company and the separate unaudited annual financial statements, of subsidiary companies. The Company will provide a copy of separate financial statements in respect of each of its subsidiary, to any shareholder of the company who asks for it.

BOARD OF DIRECTORS

The composition of the Board of Directors of the Company is in conformity with the applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year under review, Mrs. Swarnamugi R Karthik, Whole-time Director (DIN:03494012) resigned from the Board w.e.f. August 04, 2022. Mr. R. Ramesh Kumar, Whole-time Director (Governance & Legal), Company Secretary & Chief Compliance Officer (DIN: 00176265) resigned from the Board and the Company w.e.f. January 02, 2023 and Mrs. Janaki C Ambat (DIN:08991954), Independent Director resigned from the Board w.e.f. January 06, 2023.

In accordance with the provisions of Companies Act, 2013, Mr. Arjun Govind Raghupathy, (DIN: 02700864), Director

retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. The Board of Directors recommends the proposed re-appointment of Mr. Arjun Govind Raghupathy as a Director of the Company.

The disclosure required pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings are given in the Notice convening the 37th Annual General Meeting.

DECLARATION FROM INDEPENDENT DIRECTORS

The Company has received necessary declaration from all the Independent Directors of the Company under Section 149 (7) of the Companies Act, 2013 and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, affirming that they meet the criteria of their independence laid down in Section 149(6) of the Companies Act, 2013, including the confirmation that their names are included in the data bank and all the Independent Directors are exempted from undergoing the online proficiency self-assessment test for the Independent Directors pursuant to Rule 6(4) of Companies (Appointment and Qualification of Directors) Rules, 2014.

During the year under review, all the Independent Directors met on February 08, 2023 without the presence of Non-Independent Directors and members of the management to discuss inter-alia matters specified in Schedule IV of the Companies Act, 2013 and Regulation 25(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board is of the opinion that all Independent Directors of the Company uphold highest standards of integrity and possess requisite expertise and experience required to meet their duties as Independent Directors.

MEETINGS OF BOARD

During the year, 4 board meetings were convened and held. The details of these meetings are given in the Corporate Governance Report. The intervening gap between any two meetings was within the period prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

ANNUAL EVALUATION OF BOARD

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and having due regard

to the SEBI's Guidance Note on Board Evaluation, the Board has carried out an annual evaluation of its own performance, individual directors separately as well as the evaluation of the working of its Audit Committee, Committee of Directors, Stakeholders Relationship Committee and Nomination and Remuneration Committee. A comprehensive evaluation process formulated by the Nomination and Remuneration Committee covering various aspects of the functioning of the Board was circulated to all the Directors to evaluate the performance of the Board. The performance evaluation of the Non-Independent Directors was carried out by the Independent Directors and the performance of Independent Directors was carried out by the entire Board, excluding the Independent Directors being evaluated. The performance evaluation of the Chairperson of the Company was carried out by the Independent Directors, taking into account the views of the Executive and Non-executive Directors. The Directors expressed their satisfaction with the evaluation process.

POLICY ON DIRECTORS APPOINTMENT, REMUNERATION AND OTHER DETAILS

The Nomination and Remuneration Committee framed a policy on appointment of Directors including criteria for determining qualification, positive attributes and other matters. The main objectives of the Policy are given below:

- (i) Enhancement of performance of the Board and facilitate effective Corporate Governance.
- (ii) Encourage diversity of thoughts, expertise and perspectives.
- (iii) Usher in independence in the performance of the Board.
- (iv) Eliminate gender bias, if any, in the constitution and functioning of the Board of Directors.
- (v) Provide and create an environment for succession planning.
- (vi) Identification of senior/Key Managerial Personnel for appointment as Executive Directors.
- (vii) Provide for appropriate mix of promoter directors, professional directors and independent directors.

On the recommendation of the Nomination and Remuneration Committee, the Board has adopted and framed a Remuneration Policy for the Directors, Key Managerial Personnel and other employees pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Board's Report

The Company's policy on diversity of Board of Directors is available on the Company's website at http://www.bgrcorp.com/policy/Policy_Diversity_Board.pdf.

AUDIT COMMITTEE

The Audit Committee of the Board comprises of four directors of which three members are Independent Directors and all the members of Audit Committee have financial and accounting knowledge and financially literate. More details of the Audit Committee are provided in the Corporate Governance Report. All key recommendations and observations of the Audit Committee were accepted and acted upon by the management and compliance thereof are regularly monitored and reviewed by the Committee.

SHARE CAPITAL

The paid-up equity share capital of the Company as on March 31, 2023 was Rs.72.16 crore. During the year under review, the Company has neither issued new shares or shares with differential voting rights nor granted stock options or sweat equity.

HUMAN RESOURCES

An overview on the Company's human resources development and efforts to acquire and nurture talent is given in the Management Discussion and Analysis Report forming part of this Report.

For prevention, prohibition and redressal of sexual harassment of women at workplace, the Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year under review, no complaint was received by the Internal Complaints Committee with allegations of sexual harassment.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided elsewhere in the Annual Report.

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out

in the said Rules are provided in the Annual Report. Having regard to the provisions of the first proviso to Section 136(1) of the Companies Act, 2013, the Annual Report excluding the aforesaid information is being sent to the Members of the Company. The said information is available for inspection at the corporate office of the Company during working hours and any Member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

DEPOSITS

The Company did not accept any deposits from the public within the meaning of Chapter V of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014 for the year ended March 31, 2023.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed herewith as Annexure II. During the FY 2022-23, the foreign exchange earnings and outgo were Rs. 180.48 crore and Rs.0.57 crore respectively.

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

Your Company has in place adequate internal controls system which includes financial control, commensurate with the size, scale and complexity of Company's operations. The internal audit function evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective and remedial action in their respective areas of responsibility and thereby strengthen the controls. Significant audit observations and corrective actions thereon are periodically reviewed by the Audit Committee. During the year, no reportable material weakness or significant deficiencies in the design or operation of internal financial controls was noticed. The Audit Committee, based on the advice of the internal auditors directed the Company to improve the internal financial controls in few areas to ensure that the internal financial controls are operating more effectively.

CORPORATE SOCIAL RESPONSIBILITY

The Corporate Social Responsibility Committee of the Company was constituted by the Board of Directors with Mrs. Sasikala Raghupathy as Chairperson and Mr. Arjun Govind Raghupathy and Mr. Gnana Rajasekaran as members of the Committee. The Corporate Social Responsibility Policy formulated and recommended by the Committee is in place.

REMUNERATION POLICY

The Remuneration Policy formulated under Section 178 of the Companies Act, 2013 by the Nomination and Remuneration Committee is given in Annexure - III.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

Your Company has established a vigil mechanism for Directors and employees to report genuine concerns as required by section 177 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and the policy/mechanism has adequate safeguards against victimization of persons who use such mechanism and provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Particulars of loans, guarantees or investment, if any, covered under the provisions of Section 186 of the Companies Act, 2013 are disclosed in Note No.3 to the Standalone Financial Statements.

DETAILS OF SIGNIFICANT MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

During the financial year 2022-23, no significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status of the Company.

RISK MANAGEMENT POLICY

The Company as part of Standard Operating System and Procedure institutionalized risk management covering risk identification, mitigation and management measures. The Risk Charter and Policy have been brought to practice as part of internal control systems and procedures. The Management has applied the risk management policy to business activities and processes, and this is reviewed to ensure that executive management manages risk through means of a properly defined framework. The Company is

taking steps to make the risk management process more robust and institutionalized.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- a) In the preparation of the annual accounts for the financial year ended March 31, 2023, the applicable accounting standards had 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 as at March 31, 2023 and of the loss of the Company for the financial year ended on that date;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors had prepared the annual accounts for the year ended March 31, 2023 on a going concern basis;
- e) the Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

STATUTORY AUDITORS' AND AUDITORS' REPORT

M/s. Anand and Ponnappan, Chartered Accountants, Chennai were appointed as Statutory Auditors for a term of five financial years from 2022-23 to 2026-27 at the 36th Annual General Meeting held on September 29, 2022 and the reports of Statutory Auditors forms part of this Annual Report.

The Statutory Auditors in their Consolidated Audit Report have mentioned that the standalone financial statements of Sravanaa Properties Limited, BGR Boilers Private Limited and BGR Turbines Company Private Limited for the financial year 2022-23 used in the consolidated financial

Board's Report

statements of the Company were unaudited. Further, the lease term of premises measuring about 96300 sq. ft at Chennai used for the Company's Corporate Office was expired and the same is yet to be renewed by the Company.

COST RECORDS AND COST AUDITORS

The Company is required to maintain cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and accordingly during the year such accounts and records were made and maintained by the Company. The Board of Directors have re-appointed M/s. A.N. Raman & Associates, Cost Accountants as the Cost Auditor of the Company for the Financial year 2023-24, under Section 148 of the Companies Act, 2013. The Cost Audit Report for the financial year ended March 31, 2022 issued by M/s. A.N. Raman & Associates, Cost Accountants was submitted to the Central Government on September 09, 2022. The Cost Audit Report is unqualified and without reservation or adverse comment on compliance.

SECRETARIAL STANDARDS AND SECRETARIAL AUDIT

The Board of Directors confirm that your Company has complied with the applicable Secretarial Standards during the year 2022-23.

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has appointed M/s. V Suresh Associates, Company Secretary in Practice to undertake secretarial audit of the Company. The Secretarial Audit Report is annexed as Annexure IV.

The Secretarial Auditors in their Audit Report have mentioned that, (i) the Company has not uploaded the audited financials of its two Subsidiary Companies viz. BGR Boilers Private Limited and BGR Turbines Company Private Limited, in its website; (ii) The Company has not obtained the prior approval for the material related party transaction; (iii) Sravanaa Properties Ltd & BGR Turbines Company Private Limited, Material Subsidiaries of the Company have not appointed an Independent Director of the Company on their Board; (iv) the newspaper advertisement for Annual General Meeting was given after expiry of 24 hours.

The Secretarial Audit Reports of Material Subsidiaries BGR Turbines Company Private Limited and Sravanaa

Properties Limited for the financial year 2022-23 as required under Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) are enclosed as Annexure V of this Report.

REPORTING OF FRAUD BY AUDITORS

During the year under review, the Statutory Auditors, Cost Auditors and Secretarial Auditors have not reported any instance of fraud committed in the Company by its officers or employees to the Audit Committee under Section 143(12) of the Companies Act, 2013, details of which needs to be reported.

CORPORATE GOVERNANCE

Corporate Governance Report under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the certificate from the Auditors confirming compliance of the conditions of Corporate Governance are included in the Annual Report as Annexure VI.

RELATED PARTY TRANSACTIONS

The transactions with related parties entered into during the financial year, which were in the ordinary course of business and on an arm's length basis were placed before the Audit Committee and approved. During the year under review, the Company has entered into a Material Related Party Transaction in terms of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with the Managing Director of the Company. The details required pursuant to Clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 in Form AOC-2 is given as Annexure VII. All related party transactions were made in compliance with Section 188 of the Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There were no other materially significant related party transactions made by the Company with promoters, directors, key managerial personnel or other designated persons which may have a potential conflict with the interest of the Company. The Policy on Related Party Transaction as approved by the Board is uploaded on the Company's website. www.bgrcorp.com.

EXPLANATIONS OR COMMENTS BY THE DIRECTORS ON QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER CONTAINED IN AUDIT REPORTS

As regards the comments made by Secretarial Auditors and Statutory Auditors in their audit reports, the Directors

wish to state that the audited financial statements of BGR Boilers Private Limited and BGR Turbines Company Private Limited for FY 2022-23 were not ready. However, the unaudited financial statements of these two companies for FY 2022-23 have since been uploaded on the Company's website. The approval of Shareholders for the related party transaction was obtained on September 29, 2022. The process of appointment of Independent Director of the Company on the Boards of Sravanaa Properties Limited and BGR Turbines Company Private Limited will be complied by them in due course. Belated publication of newspaper advertisement for Annual General Meeting of the Company after the expiry of 24 hours was inadvertent and such incident do not occur in future. The lease of premises used for the corporate office of the Company at Chennai will be renewed in due course.

MATERIAL CHANGES AND COMMITMENTS, IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There were no material changes and commitments, affecting the financial position of the Company, which have occurred between the end of the financial year of the Company to which these financial statements relate and the date of this report.

ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134 (3) (a) of the Companies Act, 2013 the Annual Return of the Company as on March 31, 2023 is available on the company's website. The link is provided hereunder http://www.bgrcorp.com/annual_report.php

OTHER DISCLOSURES:

- There has been no change in the nature of business of the Company during the year under review.
- Pursuant to Section 197 (14) of the Companies Act, 2013, the Managing Director of the Company did not receive any remuneration or commission from any of its subsidiaries.
- As on March 31, 2023, there were 34 pending proceedings filed against the Company under the Insolvency and Bankruptcy Code, 2016 and the Company has not filed any proceedings under the aforementioned Code.
- The Company has complied with the applicable Secretarial Standards as amended from time to time.
- The details of difference between amount of the valuation done at the time of one-time settlement and

the valuation done while taking loan from the banks or financial institutions along with the reasons thereof: NIL

- During the financial year 2022-23, the requirement of transferring the unpaid/unclaimed dividends nor the shares is not applicable to the Company.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their appreciation for the valuable support and co-operation extended by customers, vendors, collaborators, business partners/associates, statutory authorities, Central and State Governments during the year under review.

Your Directors also record their appreciation to the bankers for their financial support and trust reposed in the Company. The Board further wish to acknowledge the commitment and contribution made by the employees at all levels during difficult times. Your Board conveys its gratitude to the Shareholders for their continued patronage and co-operation.

ANNEXURES FORMING PART OF REPORT

The annexures referred to in this report and other information which are required to be disclosed are annexed herewith and form part of this Report of Directors.

Annexure	Particulars
I	Management Discussion and Analysis Report
II	Energy Conservation and Technology Absorption
III	Remuneration Policy
IV	Secretarial Audit Report
V	Secretarial Audit Reports of BGR Turbines Company Private Limited and Sravanaa Properties Limited.
VI	Corporate Governance Report
VII	Details of Material Related Party Transaction (Form AOC-2)

For and on behalf of the Board

Place: Chennai
Date : May 30,2023

Sasikala Raghupathy
Chairperson

MANAGEMENT DISCUSSION & ANALYSIS REPORT PERFORMANCE HIGHLIGHTS OF FY 2022-23

During the year 2022-23 the company's activities have slowly picked up. The progress was hampered due to unprecedented increase in the price of raw materials worldwide. The banking sector's reluctance in funding infrastructure projects, particularly the thermal power sector is a dampener in the Company's progress. Also the reluctance of many end users to accommodate the increased commodity prices have not helped either.

Project progress of Engineering and Construction Business

Power Projects Division (PPD) - During the year 2022-23 the company in North Chennai Thermal power project had achieved significant progress. Demineralized water was produced using 45000 TDS sea water through Ultrafiltration skid, Seawater Reverse Osmosis System (SWRO), Brackish Water Reverse Osmosis System (BWRO) and Mineral Balance (MB) and continuously being supplied for main plant commissioning activities. High Speed Diesel unloading and transferring was commissioned with PLC. Firewater system for Boiler was made ready this year. In OPGCL project, performance guarantee test for IDCT Unit 4 and Auxiliary Power consumption were carried out successfully during the year. The 1 x 800 MW thermal power project at Vijayawada is moving towards the next step of coal firing and power generation.

Civil Projects Division (CPD) – General civil works project of Tata Steel Limited in Kalinganagar, Odisha was completed during last year. Tata Steel has acknowledged our performance by honoring us with “Best Innovation Business Partner” award in their Vendor's conclave. New orders worth Rs. 765 Crores has been awarded to CPD in year 2022-23 which includes orders from prestigious customers like Tata Steel Limited, Indian Oil Corporation Limited (IOCL), Industrial Energy Limited (IEL), MSPL Limited, etc.

Environmental Engineering Division (EED) - 10 MLD (Million Litres per Day) Tertiary treatment ultrafiltration (TTUF) plant in Nesapakkam was commissioned and inaugurated by the Honorable Chief Minister of Tamil Nadu during the year. 6 MLD Water treatment plant (WTP) in Porur was also commissioned and inaugurated by the

Honorable Chief Minister of Tamil Nadu. 10 MLD Water treatment plant (WTP) in Kolathur has been made ready. 33 MLD (Phase 1) & 21.5 MLD (Phase 2) Seawater Desalination plants are in operation and handed over to APGENCO, Krishnapattanam.

Electrical Project Division (EPD) – For NPCIL RAPP project, Integrated Leak Rate Test for Reactor Building #7 was completed. For JUSNL Project, 132kV GIS along with GIBD was supplied for Sarath Site. Other Supplies like 132kV LA, 132kV CVT, LT Transformers, Battery charger, LT Switchgear and Earthing materials were completed for Sarath & Chhattarpur sites of the JUSNL Project. Sundernagar site was handed over by JUSNL to BGRESL during year 2022-23 and supply of 132kV CVT & LT Transformers has been completed. For UPPTCL Project, all structural works were completed in 400kV, 220kV and 132kV GIS, CRB & FFPH buildings and all outdoor equipment installation except Transformers & Reactor were completed.

Manufacturing Business (Product Business Division)

The capital goods segment, which manufactures equipment for power, oil, gas and infrastructure industries the Company secured orders of Rs. 274 Cr. with record highest opening order book in its history of Rs. 425 Cr. Despite market challenges, Product Business Division achieved turnover of Rs. 193 Crore in year 2022-23, which is the highest turnover achieved by the division in its history. Fully assembled ache equipment was supplied to M/s. Schlumberger, UK for RIL Off-Shore in the year 2022-23.

INDUSTRY ANALYSIS & PROSPECTS IN DOMESTIC AND INTERNATIONAL MARKETS

With the waning Covid-19, the year 2022-23 witnessed gradual pick up in the industrial activities. The demand for power has also increased substantially. Despite the increase in renewable energy capacities, and despite the Renewable Purchase Obligation (RPO) set at 21%, thermal power has contributed 84% of the overall power consumption. The unprecedented power demand and the relative low contribution of renewable and nuclear power generation have brought to fore the urgent need to add significant capacity by way of new super critical & ultra-super critical thermal power projects with much lower heat rates. As per CEA, the annual Electrical Energy

requirement will be 3,175,400 MU by FY 2037 as against the generation of 1,320,947 MU in FY 22. This demand cannot be met alone with renewable sector. With state-run genco NTPC announcing addition of 4.8 Gigawatts power projects in next three years, there is huge growth forecasted in thermal power sector which augurs well for the company's growth.

There is also huge scope in renovation & modernization of existing power plants, including replacement of old units with new power plants. In order to comply with the new emission standards, installation of Flue Gas Desulfurization units in existing power plants presents a new market segment to capitalize for the company.

The global energy crisis arising due to Russia's invasion of Ukraine, has also forced countries worldwide to relook at coal based power plants. Denmark asked its biggest energy firm Orsted to restart operations at three fossil fuel facilities to ensure energy security. Similarly, UK government also temporarily relaxed conditions for the running of coal-fired plants in winter and some of the coal-based plants that were to shut in year 2022-23, continued to operate.

The Pradhan Mantri Gatishakti Bharat Master Plan for integrated infrastructure growth will offer robust growth potential in various sectors in the years to come. The National Infrastructure Pipeline, aimed at easier interconnectivity between road, rail, air and waterways to reduce travel time and improve industrial productivity, announced previously and re-emphasized again are envisaged to create multiplier effects on the economy. The flagship Jal Jeevan mission of Gol will see huge development under the rural and urban water supply infrastructure development in next couple of years. With our Civil Projects Division and Environmental

Engineering Division, the company is in prime position to tap into this huge market.

The company is also exploring various business opportunities in Extra High Voltage (EHV) underground cabling projects, Traction Substation projects from Railways, Electrification packages for upcoming private projects, etc.

LOOKING INTO FUTURE AND STRATEGIC BUSINESS SHIFT

In the backdrop of challenges in thermal power sector in India and global markets as well, your Company initiated number of strategic initiatives. The Company identified critical need for shift from current business segments and identified some sectors as key drivers for growth in the medium term and diversify into adjacent business sectors to in which public and private investments. The company's proven and successful track record and competencies could be leveraged for growth in these emerging industrial, core and infrastructure sectors. These segments include: (i) Water and water treatment solutions (ii) Electricity Transmission & Distribution (iii) Transport infrastructure viz., Metro, Railways and Highways (iv) Civil construction; (v) Project exports and (vi) Oil & Gas and manufacture of equipment and systems for Indian industry and international markets. The Company would continue as a significant market player in thermal generation sector, being selective in order booking and would leverage its competencies in focusing and seeking orders from Nuclear power projects and power transmission activities. In capital goods / manufacturing businesses, the Company has taken measures to expand the geographical market reach in international markets by identifying key opportunities for expanding the product portfolio.

Financial Performance (Standalone)

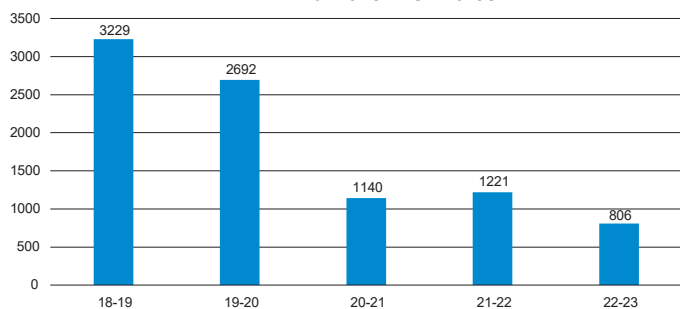
DESCRIPTION	Unit	FY 21-22	FY 22-23	% Change
Income from Operations	Rs.Crores	1221	806	-34%
EBIDTA	Rs.Crores	137	(270)	-297%
EBIDTA	%	11.23%	-33.53%	-399%
PBT	Rs.Crores	(236)	(635)	169%
PAT	Rs.Crores	(178)	(479)	169%
Networth	Rs.Crores	882	403	-54%
PBT Ratio	%	-19.37%	-78.78%	307%

Management Discussion & Analysis Report

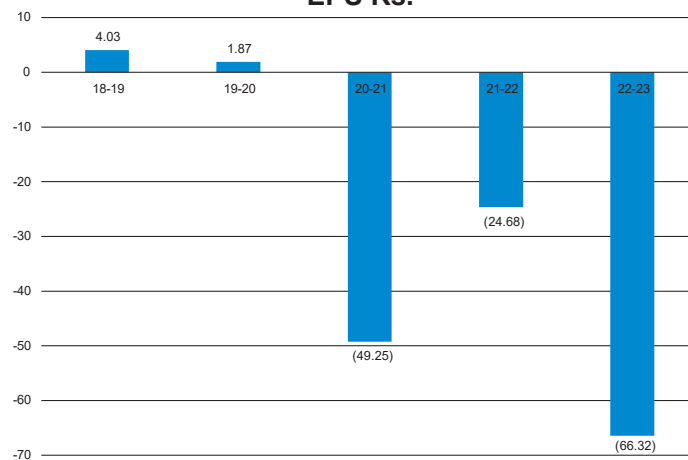
Financial Performance (Standalone)

DESCRIPTION	Unit	FY 21-22	FY 22-23	% Change
PAT Ratio	%	-14.59%	-59.35%	307%
Return on Networth	%	-20.19%	-118.68%	488%
Employee Cost to Turnover	%	10.76%	15.57%	45%
Overheads Cost to Turnover	%	3.88%	31.34%	707%
Interest Cost to Turnover	%	29.38%	49.54%	69%
Debtors Turnover	Days	734	898	22%
Debtors Turnover (Excluding Retention)	Days	375	387	3%
Inventory Turnover	Days	15	22	47%
Interest Coverage Ratio	Times	0.34	(0.59)	-273%
Current Ratio	Times	1.00	1.00	0%
Debt Equity Ratio	Times	2.13	4.57	115%

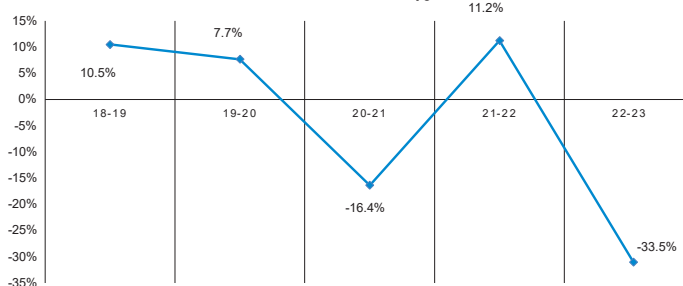
Turnover Rs.Crores



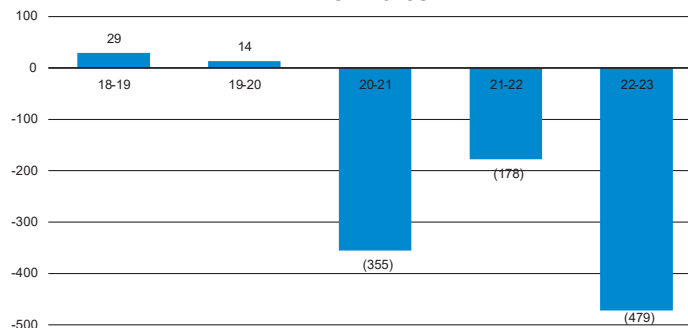
EPS Rs.



EBIDTA %



PAT Rs.Crores



SIGNIFICANT CHANGES IN FINANCIAL PERFORMANCE METRICS

The Operating margin for the year 2022-23 was negative due to lower turnover.

DETAILS OF ANY CHANGE IN RETURN ON NET WORTH AS COMPARED TO THE PREVIOUS FINANCIAL YEAR

During the year Return on Net worth increased from negative -20 % in the previous year 2021-22 to Negative 118% in the year 2022-23. The reduction in return on net worth is due to loss of 635 crores. The major reason for the loss is lower turnover. The contributions generated from lower turnover was not sufficient to meet the fixed cost incurred by the company.

STRENGTH AND OPPORTUNITIES

The company has after review of the current macro level developments and competition landscape planned foray into the Infrastructure, Highways Construction, Transmission. The experienced and competent manpower, proven project delivery of the Company is a rare strength. These rich credentials will enable qualification and successful breakthrough in all business segments. The strategic teams of experienced personnel formed recently are working on bids for these strategic segments.

INTERNAL CONTROL SYSTEMS AND AUDIT

As part of the audit system, the company has an in-house system with a works auditor. Experienced external firm of auditors carries out internal audit. The detailed audit plan is well documented and audit scope is reviewed every year to include key processes that need improvements and address new compliance requirements. The detailed audit plan approved by the Audit Committee is rolled out at the beginning of each year. In addition, all payments to vendors are subjected to pre-audit by an external audit team. The statutory auditors carry out the required audit and compliance checks and review the control systems. The Chairman of Audit committee, key project personnel and the finance team review the audit reports of the internal auditors, pre auditors and in-house auditors in detail every quarter and a time bound action plan is initiated to address the key audit issues that need improvement and resolution. A summary of key audit observations, action taken to fix the gaps and the status is reviewed by the Audit Committee members in the quarterly audit committee meeting. The present internal control and audit systems are adequate.

RISK MANAGEMENT

The business of the Company encompasses design at office, manufacturing at factories and project sites, civil and mechanical construction, erection, and commissioning of equipment's / packages. The company has a well-documented Standard Operating Systems and Procedures (SOSP). The SOSP mandates concerned officers of the company to review, identify and take timely steps to manage these risks on an ongoing basis. Delegation of Authority is reviewed each year to ensure that adequate controls are in place and required flexibility is available for effective operations at work site and that the commitments made to customers and vendors are met on time. Periodic review of procedural checks and balances are undertaken with a view to improve operational controls and productivity matrix. An experienced team of contract specialists in the Company review all contractual documents with the customers and the vendors in detail to ensure that all risks associated with the terms of contract are fully understood, documented, and reviewed for ensuring effective implementation of the contracts.

HUMAN RESOURCE DEVELOPMENT

With the Pandemic threat fading away during the year 2022 – 23, there was a strong need to retain the critical manpower resources in the Company and rewarding them suitably. Accordingly, the Company carried out an exercise to identify the critical manpower across the Company and such critical employees were rewarded with better responsibility and salary increase. This helped the company to retain the critical manpower.

Our new business vertical Civil Projects Division could book 4 new orders during the year 2022 – 23 and we could ramp up the manpower in a very short span so that we were able to carry out the work as per the schedule.

As part of recognizing and motivating the exemplary work done by our employees, we had introduced a scheme to identify "Employee of the Month". This was extended to project sites and other business divisions during the year 2022 – 23 and this yielded very good results. It has motivated many of the employees to carry out their work in a better way.

During the year 2022 – 23 there were 18 employees who had completed more than 20 years' service in our Organization. These employees were honored with long service awards during the Founder's Day celebrations.

ENVIRONMENT, HEALTH AND SAFETY (EHS)

The Company treats EHS as its core need to carry on and grow the business on a sustained basis. The Company has adopted a structured approach towards implementation of EHS policy and plans to integrate EHS with critical operating processes to continually improve the environment in which the Company operates as well as the safety and health of all employees, workmen, general public and the society. The Company established EHS structure for developing, implementing, and improving EHS Management Systems. These systems are designed to imbibe and enhance safety culture and to mitigate high potential risks among the employees and contractors through appropriate intervention and guidance.

The Company took up many EHS initiatives viz., monitoring and control of air, noise and water pollution, fitness of all employee's premedical screening, regular health awareness camps, blood donation, safety orientation to all new employees and contractors' men before engaging at work, hazard identification and risk assessment for all critical activities, safety evaluation of contractors and adoption of EHS code of Practices by contractor, enhancement of behavior based safety programs, on spot motivation to safety conscious workers and recognition of creditable EHS performance. The EHS team strived to keep up good health of employees at offices, works and sites by strictly following the Standard Operating Procedures and guidelines issued by various Government and health authorities.

ENERGY CONSERVATION AND TECHNOLOGY ABSORPTION

Manufacturing units of the Company have continued with the energy conservation measures during the financial year 2022-23 as given below:

A) ENERGY CONSERVATION

i. The steps taken or impact on conservation of energy

1. Advanced Finning Machine - G type is continued which can deliver the productivity with 20% lesser electrical power consumption.
2. Actions initiated to power off of all machines especially welding machines during break times to avoid transformer losses.
3. Initiated actions to ensure no leakage of compressed air and water.
4. Air Conditioner temperature maintained at 26 degree centigrade for power saving.
5. Proposed to introduce LED lights at the time of replacement of exiting lights.
6. Planned to introduce solar power generation system.

ii. The steps taken by the Company for using alternate source of energy

Buildings have glass windows all around and use the ambient light for lighting purposes as much as possible. This reduces the electricity consumption due to lesser need of lighting during the day.

iii. The capital investment on energy conversation equipments: Nil.

B) TECHNOLOGY ABSORPTION:

The details under Rule 8(3)(B) of the Companies (Accounts) Rules, 2014 is not applicable to the Company.

C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

The details of foreign exchange earnings and outgo are provided in the Directors Report.

REMUNERATION POLICY

1. APPLICABILITY

This remuneration policy applies to all Directors, Key Managerial Personnel and designated employees of the Company.

2. OBJECTS

This policy seeks to achieve the following objectives viz.,

- a. The Directors Key Managerial Personnel and designated employees of the Company are governed by a compensation criteria that fosters meritocracy and industry standards.
- b. Attract and retain high calibre professionals/personnel required to manage the business, operations and strategic growth of Company successfully.
- c. The remuneration shall be competitive and based on the individual responsibilities, contribution and performance.
- d. To attract, retain and motivate talents and a balance of fixed and variable components so as to incentivise high level of performance.

The Remuneration Policy is guided by a common reward framework and set of principles and objectives as morefully and particularly envisaged under Section 178 of the Companies Act, 2013 and principles pertaining to determining qualifications, positive attributes, integrity and independence.

3. REMUNERATION TO DIRECTORS

a. Fee to Non-executive Directors

A Non-executive Director may receive remuneration by way of sitting fee for attending meetings of the Board or Committee thereof. The amount of fees shall not exceed the amount as may be prescribed under the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and any amendment thereto.

- b. The amount of fee to Independent Directors and Women Directors shall not be less than the fee payable to other Directors.

- c. No sitting fee shall be paid to the Executive Directors for attending Board or Committee meetings.
- d. The Board may review the fee at reasonable length of time and in doing so consider industry trends, practices, Company's performance, shareholder's interest and regulatory provisions and environment.
- e. No Director, other than Chairman of the Board, shall be entitled to commission on profits of the Company and such commission shall be determined by the Board for each financial year and such payment shall be subject to the provisions of the Companies Act, 2013.
- f. Directors shall be entitled to reimbursement of expenses on travelling, lodging, boarding and other out-of-pocket expenses incurred for participation in the Board and Committee meetings and other work related to the Company's business.

4. REMUNERATION TO KEY MANAGERIAL PERSONNEL

- a. The remuneration to Key Managerial Personnel (Managing Director, Deputy Managing director, Whole-time Director, Company Secretary, and Chief Financial Officer) shall be determined with due regard to the individual's educational and professional qualifications, age, experience, expertise, knowledge and contribution and competition for such talents in the industry/corporate sector.
- b. The remuneration payable to Key Managerial Personnel may comprise of ;
 - a. Fixed salary, variable salary, bonus/ex-gratia, perquisites and allowances, performance-linked incentive and other compensation as the Board may determine.
 - b. Remuneration to any one Executive Director shall not exceed five per cent of the net profits of the Company and the total remuneration payable to all Executive Directors together shall not exceed ten per cent of the net profits of the Company.
 - c. Incase of inadequacy of profits, the remuneration to Executive Director shall be in accordance with Schedule V of Companies Act, 2013.

5. REMUNERATION TO DESIGNATED EMPLOYEES

- a. For the purpose of this Policy, an employee, who is employed by the Company and designated as a member of core management team, but not a Director, and all Heads of functional responsibility or management and holding office one level below Executive Director are Designated Employees.
- b. The remuneration shall be determined in an equitable manner having regard to qualifications, age, experience, and contribution to the Company, need to retain talent and industry/market trends.
- c. Remuneration to Designated Employees shall include fixed salary, variable salary, bonus/ex-gratia, perquisites and allowances, performance-linked incentive and other compensation as the Board may determine.

6. REMUNERATION TO OTHER EMPLOYEES:

The nature of job and market parity of similar talent will be key factor in pay determination for different levels of employees.

1. Wage and salary structure will be simple and easy to link performance and compensation.
2. Discretionary retention bonus may be given in deserving cases as may be decided by management.
3. Annual pay increases will be based on a combination of appraisal of competency and performance rating.

FORM NO. MR-3 SECRETARIAL AUDIT REPORT

For the Financial Year 2022-23

[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,

M/s. BGR ENERGY SYSTEMS LIMITED

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. BGR ENERGY SYSTEMS LIMITED (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 our opinion thereon.

Based on our verification of **M/s. BGR ENERGY SYSTEMS LIMITED** 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 considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31st March 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s. BGR ENERGY SYSTEMS LIMITED** ("the Company") for the financial year ended on 31st March 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; - **Not Applicable**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendments from time to time;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and amendments from time to time;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time; (Not applicable to the Company during the audit period)
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable to the Company during the audit period)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021; (Not applicable to the Company during the audit period)
 - (f) 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; (Not Applicable)
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable to the Company during the audit period)
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the audit period)

Other Laws specifically applicable to this Company – NIL

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, and Standards etc., mentioned above, except the followings:

1. The Company has not uploaded the Audited Financials of its two Subsidiaries Companies viz. BGR Boilers Private Limited and BGR Turbines Private limited, in its website as required under Regulation 46 (2) (s) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. The Company has not obtained the prior approval for the material related party transaction under Regulation 23(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
3. As per the Financials as on 31.03.2022, M/s. Sravanaa Properties Ltd & M/s. BGR Turbines Pvt Ltd are Material subsidiary for the Company. But an Independent Director of the Company is yet to be appointed in their Board under Regulation 24(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
4. The Newspaper Advertisement for Annual General Meeting was given after expiry of 24 hours under Regulation 30(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further report that the Board of Directors of the Company is duly constituted with proper balance

of Executive Directors, Non-Executive Directors, Independent Directors and Women Director. 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 to at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision of the Board and its Committee meeting are carried through while the dissenting members views, if any are captured and recorded as part of the minutes.

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

We further report that during the audit period the company has no major events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc., have taken place.

For V Suresh Associates
Practising Company Secretaries

Udaya Kumar K R

Partner

FCS No. 11533

C.P.No. 21973

Peer Review Cert. No. :667/2020

UDIN: F011533E000733408

Place: Chennai

Date : 30.05.2023

ANNEXURE TO SECRETARIAL AUDIT REPORT

To,
The Members
BGR ENERGY SYSTEMS LIMITED

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some Misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.
7. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For V Suresh Associates
Practising Company Secretaries

Udaya Kumar K R

Partner

FCS No. 11533

C.P.No. 21973

Peer Review Cert. No. :667/2020

UDIN: F011533E000733408

Place: Chennai
Date : 30.05.2023

FORM NO.MR - 3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

[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
BGR Turbines Company Private Limited
443, Anna Salai, Teynampet,
Chennai - 600018

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **BGR TURBINES COMPANY PRIVATE LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company and its officers and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023 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) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; and
- (iii) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment.

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

During the period under review, the Company has complied with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards, etc., *mentioned above except sections 138, 149(4), 177, and 178 of the Act.*

I further report that:

- (a) The Board of Directors of the Company is duly constituted except the independent directors.
 - (a) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
 - (b) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

I further report that during the audit period, the Company has no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

Place : Chennai
Date : 30/05/2023

Rajashri Sai
Practicing company secretary
Membership No.: ACS - 26760
Certificate of Practice No: 10496
UDIN: A026760E000945766

Secretarial Audit Report

FORM NO.MR -3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

[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
Sravanaa Properties Limited
443, Anna Salai, Teynampet,
Chennai - 600018

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SRAVANAA PROPERTIES LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company and its officers and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023 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:

- (iv) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (v) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; and
- (vi) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment.

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

During the period under review, the Company has complied with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards, etc., *mentioned above*.

I further report that:

- (b) The Board of Directors of the Company is duly constituted.
- (c) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- (d) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

I further report that during the audit period, the Company has no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

Place : Chennai
Date : 30/05/2023

Rajashri Sai
Practicing company secretary
Membership No.: ACS - 26760
Certificate of Practice No: 10496
UDIN: A026760E000949583

REPORT ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

In accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time on Corporate Governance, your Company is committed to practice high standards of corporate governance across all its business activities, processes and dealing with all stakeholders. The Board of Directors constantly endeavors to create an environment of fairness, equity and transparency in all its affairs. The Company's governance policy framework is designed to secure and enhance long term shareholder value, while respecting the rights and expectations of all other stakeholders viz., Customers, Vendors, Banks, Employees, Central and State Governments and the Society at large. The Company is in constant compliance with the requirements of the guidelines on corporate governance stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

BOARD OF DIRECTORS

COMPOSITION OF BOARD

The Company's Board of Directors comprise of 6 directors as on March 31, 2023 of whom one is promoter non-executive director, one promoter executive director and four independent directors. The composition of the Board is in conformity with the requirements stipulated under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 ("Regulations") as amended from time to time.

In line with corporate governance philosophy, all statutory and other significant material information and reports are placed before the Board of Directors ("the Board") to enable it to discharge its responsibility of superintendence, control and direction of the business, management and strategic affairs of the Company. The Board comprises of Directors drawn from diverse fields of expertise viz., Business Management, Finance, Public Administration, Power, Technology, Arts, Culture and International Business. The Board at present consists of four independent directors, and one non-independent directors and one non-executive promoter director, who is the Chairperson of the Board.

The Company has defined guidelines and established framework for the meetings of the Board and Committees. The Board critically evaluates business strategies, performance, policies and its effectiveness. The Board

reviews all strategic and operating plans, financial reporting, budgets and capital expenditure and matters of exception.

None of the Directors on the Board is a member of more than ten committees or chairman of more than five committees across all the companies in which he/she is a director. Necessary disclosures regarding committee positions in other public companies as on March 31, 2023 have been made by the Directors. The Board confirms that the Independent Directors fulfil the conditions specified in these regulations and that they are independent of the management.

MEETINGS AND ATTENDANCE OF THE BOARD DURING THE YEAR

During the year under review Board meetings were conducted physically and through video conferencing. The Agenda for the meeting is prepared by the Director & Secretary in consultation with the Chairperson and Managing Director of the Company. There is constant endeavor to improve the practices with regard to the Board and its Committee meetings. The agenda and the relevant supporting papers are circulated in advance to facilitate the members of the Board and Committees to make informed decisions and discharge their fiduciary responsibility effectively. Where it is not practicable to attach or forward any document / information as part of the agenda papers, the same is tabled at the meeting or presentation by the concerned President of the division to the Board. The Company is continuously improving these practices so as to enable effective strategy formulation, direction, monitoring and reviews by active participation by the Board. The Company Secretary records minutes of proceedings of each Board and Committee meetings. Draft minutes are circulated to the Board/ Committee members within 15 days from the meeting for their comments. Directors communicate their comments, if any on the draft minutes within seven days from the date of circulation. The minutes are then entered in the minutes book within 30 days from the conclusion of the meeting and signed by the Chairperson of the Board or Committee, as the case may be. The certified copy of the approved minutes are then circulated to all the Board / Committee members and to the concerned executives for follow on action.

The Board and Committee meetings facilitate an effective post meeting follow-up, review and reporting process for decisions taken by the Board and Committees thereof. Important decisions taken at Board / Committee meetings are communicated promptly to the concerned President

Report on Corporate Governance

or Executive. Action-taken report on decisions / minutes of the previous meeting(s) is placed at the subsequent meeting of the Board / Committee for review or noting.

Apart from Board members and the Company Secretary, the Board and Committee meetings are also attended by the Chief Financial Officer and wherever required by the heads of business divisions and corporate functions. The Audit Committee meetings upon invitation are attended by the Statutory Auditors and the Internal Auditors of the Company.

BOARD PROCESS, DECISION MAKING AND REVIEW

The following information is regularly placed before the Board to enable the Board to make decision and review of operating and strategic performance of the Company:

- i) Appointment, resignation and retirement of directors.
- ii) Constitution and reconstitution of committees of the Board.
- iii) Disclosure of interest of Directors.
- iv) Minutes of the meetings of the Board and its Committees viz., Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee, Share Transfer and Committee of Directors.
- v) Statutory compliance including non-compliance with regulatory and statutory requirements.
- vi) Corporate Governance compliance.
- vii) Statement on investor complaints filed with stock exchanges and investor services.
- viii) Action taken on the minutes of the previous meetings of the Board and Committees.
- ix) Corporate Budget including Annual operating budget, Capital expenditure budget and revisions thereof.
- x) Review of Project wise and division wise budget Vs actual performance.
- xi) Progress of the EPC, BOP and Capital goods business segments.
- xii) Quarterly, Half yearly and Annual financial results/statements of the Company and annual financial statement of Subsidiary Companies.
- xiii) Appropriation of profits to dividend and reserves.
- xiv) Investment in and progress of Joint ventures and Subsidiaries including divestments.
- xv) Audit Committee's recommendations on appointment of internal and statutory auditors, auditor recommendation.
- xvi) Accidents, untoward incidents, dangerous occurrences, judgements, orders and matters arising from vigil mechanism.
- xvii) Show cause notices, prosecution notice, penalty notices and other material legal action against the Company.
- xviii) Approval of related party transaction, where approval of the Board is required.
- xix) Reimbursement and remuneration of KMP and other senior officers' one level below Directors.
- xx) Material default in financial obligations to creditors of and by the Company.
- xxi) Significant labours and human resources, industrial relations, transactions which are not in the ordinary course of business or exceptional in nature, including payment for goodwill, brand or intellectual property.

MEETINGS OF THE BOARD

During the Financial Year 2022-23, 4 (four) Board Meetings were held on May 27, 2022, August 12, 2022, November 14, 2022 and February 13, 2023 and not more than 120 days have elapsed between any two meetings. The information as specified in Part A of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are regularly made available to the Board, wherever applicable for discussion and consideration.

MEETING OF INDEPENDENT DIRECTORS

As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of Independent Directors of the Company was held on February 08, 2023 without the presence of Non - Independent Directors and members of management. All the Independent Directors were present at the meeting. The following items were reviewed at the meeting of independent directors viz.,

1. Performance of Non - Independent Directors and the Board as a whole;
2. Performance of the Chairperson of the company, taking into account the views of the Executive and Non-Executive Directors;
3. Assessment of quality, quantity and timeliness of flow of information between the company management and the Board.
4. Matters and scope of Board evaluation in terms of the guidance note issued by SEBI vide Circular No. SEBI/Ho/CDD/CMD/CIR/P/ 2017/004 dated January 05, 2017.

(i) PARTICULARS OF THE DIRECTORS' ATTENDANCE AT THE BOARD MEETINGS AND AT THE ANNUAL GENERAL MEETING HELD ON SEPTEMBER 29, 2022 AND PARTICULARS OF THEIR DIRECTORSHIPS AND COMMITTEE MEMBERSHIPS IN OTHER COMPANIES ARE GIVEN BELOW:

Name & Category of the Director	Attendance at meetings during 2022-23		No. of Directorship in other Companies @	No. of Committee Membership & Chairmanship in other Companies #
	Board Meetings	At Last AGM held on September 29, 2022		
Mrs. Swarnamugi R Karthik, ** Director – Corporate Strategy, Promoter / Executive	1	NA	7	-
Mr. R. Ramesh Kumar, Director & Secretary, Executive @@	3	Yes	2	-
Mr. Arjun Govind Raghupathy, Managing Director, Promoter / Executive	4	Yes	6	-
Mrs. Sasikala Raghupathy, Chairperson, Promoter / Non-Executive	4	Yes	5	-
Mr. M.Gopalakrishna, Director, Independent	4	Yes	6	5
Mr. S.A.Bohra, Director, Independent	4	Yes	-	-
Mr. S.R.Tagat, Director, Independent	4	Yes	-	-
Mr. Gnana Rajasekaran, Director, Independent	4	Yes	1	1
Mrs. Janaki C Ambat, Director, Independent###	3	Yes	-	-

Yes – Present, No – Absent, NA – Not Applicable

@ Excludes private companies and foreign companies.

Includes only membership of Audit Committee and Shareholders Relationship Committee.

** Resigned from the Board w.e.f. : 04.08.2022

@@ Resigned from the Board w.e.f. : 02.01.2023

Resigned from the Board w.e.f. : 06.01.2023

(II) NAME OF OTHER LISTED ENTITIES WHERE DIRECTORS OF THE COMPANY ARE DIRECTORS AND THE CATEGORY OF DIRECTORSHIP:

Name of the Director	Name of listed entities in which the concerned Director is a Director	Category of Directorship
Mr. M. Gopalakrishna Director, Independent	i) Suven Life Sciences Limited ii) The Andhra Petrochemicals Limited iii) Pitti Engineering Limited iv) Olectra Greentech Limited	Non – Executive Independent Director

Report on Corporate Governance

Name of the Director	Name of listed entities in which the concerned Director is a Director	Category of Directorship
Mr. Gnana Rajasekaran Director, Independent	Odyssey Technologies Limited	Non – Executive Independent Director
None of other directors hold directorship in any other listed entity		

(iii) SKILLS / EXPERTISE / COMPETENCIES OF THE BOARD OF DIRECTORS

The following is the list of core skills / expertise /competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the Board Members:

- Knowledge on Company's businesses, policies and culture (including the Mission, Vision and Values) major risks / threats and potential opportunities, industry trends, macro-economic and industrial policy impact and knowledge of the industry in which the Company operates.
- Behavioural skills-attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company.
- Business Strategy, Sales & Marketing, Corporate Governance, Financial and Forex Management, Administration, Decision Making.
- Financial and Management skills.
- Technical / Professional skills and specialized knowledge in relation to Company's business

In the table below, the specific areas of focus or expertise of individual Board members have been highlighted.

Name of Directors	Areas of Skills, Expertise and Competencies				
	Knowledge on Company's business, policies & Culture	Behavioural Skills	Business Strategy, Sales & Marketing etc.,	Financial and Management Skills	Technical/ Professional skills
Mrs. Sasikala Raghupathy, Chairperson	Y	Y	Y	Y	-
Mr. R. Ramesh Kumar, Director & Secretary**	Y	Y	Y	Y	Y
Mr. Arjun Govind Raghupathy, Managing Director	Y	Y	Y	Y	Y
Mrs. Swarnamugi R Karthik, Whole-time Director@@	Y	Y	Y	Y	Y
Mr. M.Gopalakrishna	Y	Y	Y	Y	-
Mr. S.A.Bohra	Y	Y	Y	Y	Y

Name of Directors	Areas of Skills, Expertise and Competencies				
	Knowledge on Company's business, policies & Culture	Behavioural Skills	Business Strategy, Sales & Marketing etc.,	Financial and Management Skills	Technical/ Professional skills
Mr. S.R.Tagat	Y	Y	Y	Y	-
Mr. Gnana Rajasekaran	Y	Y	Y	Y	-
Mrs. Janaki C Ambat###	Y	Y	Y	Y	Y

** Mr Ramesh Kumar resigned w.e.f. 02.01.2023

@@ Mrs Swranamugi R Karthik resigned w.e.f. 04.08.2022

Mrs Janaki C Ambat resigned w.e.f. 06.01.2023

Except Mrs. Swarnamugi R Karthik, Director – Corporate Strategy and Mr.Arjun Govind Raghupathy, daughter and son of Mrs. Sasikala Raghupathy, Chairperson respectively, no other directors have any *inter-se* relationship with other directors of the Company.

The Company has not granted stock options to any of its directors or employees during the year under review. Except Mr. S. R. Tagat, who holds 135 shares, no independent director hold shares in the Company.

The Company has formulated and adopted a familiarization programme for independent directors and the same is administered by the Nomination and Remuneration committee. The familiarization programme for independent directors is uploaded in the website of the company and web link for the same is http://www.bgrcorp.com/policy/familiarization-programme_2022-23.pdf

COMMITTEES OF THE BOARD

The Board constituted the following committees:

AUDIT COMMITTEE

The Audit Committee of the Board comprises of four directors of which three members are independent directors and all the members of Audit Committee are financially literate.

The members of the Audit Committee are:

Mr. S. R. Tagat	Chairperson	Independent Director
Mr. M. Gopalakrishna	Member	Independent Director
Mr. S. A. Bohra	Member	Independent Director
Mr. Arjun Govind Raghupathy**	Member	Non-Independent Director
Mrs Swranamugi R Karthik*	Member	Non-Independent Director

*Resigned from the Board w.e.f. 04.08.2022.

** Mr Arjun Govind Raghupathy was co-opted as a member of the Committee on November 11,2022.

The Composition of the Audit Committee is in conformity with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013. The Managing Director, Chief Financial Officer and Statutory Auditor of the Company are invited to the Audit Committee Meetings, where found necessary and essential.

Report on Corporate Governance

The internal auditors are also invited as are relevant for consideration of audit reports and review of compliance. The quorum for Committee Meeting is two members or one third of the total strength of the Committee, whichever is higher, and such quorum comprise of at least two Independent Directors present. The Committee enables the Board to discharge its responsibility for overseeing accounting, financial, auditing, disclosure and reporting process and for ensuring legal and regulatory compliance and oversight.

The Powers and terms of reference of the Audit Committee are as given below, which cover following matters specified under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013.

POWERS OF AUDIT COMMITTEE:

The Audit Committee shall have such powers to effectively discharge its role and terms of reference, which includes the following:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.
5. Such other powers as may be necessary for due and proper discharge of role of Audit Committee.

THE ROLE AND TERMS OF REFERENCE OF THE AUDIT COMMITTEE:

1. Oversight of the company's financial reporting process and 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 and scope of respective audit viz., Statutory Audit, Internal Audit, Tax Audit and Cost Audit.
3. Approval of payment to statutory auditors for services other than statutory audit 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. Formulation and approval/adoption of new accounting policy.
 - c. Changes, if any, in accounting policies and practices and reasons for the same.
 - d. Major accounting entries involving estimates based on the exercise of judgment by management.
 - e. Significant adjustments or treatments made in the financial statements arising out of audit findings.
 - f. Compliance with listing and other legal requirements relating to financial statements.
 - g. Disclosure of related party transactions.
 - h. Qualifications, observations and adverse comments if any in the draft audit report and response or explanations therefor.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
 6. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
 7. Approval of transactions of the company with related parties, including modification thereof;
 8. Scrutiny of inter-corporate loans and investments;
 9. Valuation of undertakings or assets of the company, wherever necessary;
 10. Evaluation of internal financial controls and risk management systems and process;
 11. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
 12. Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the officer heading the department, reporting structure coverage and frequency of internal audit;
 13. Review with Internal Auditors of any significant findings and follow up action thereon;
 14. 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;
 15. 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;
 16. To look into the reasons for substantial defaults, if any in the payment to the depositors, debenture holders,

shareholders (in case of non-payment of declared dividends) and creditors;

17. To review the functioning of the Whistle Blower/Vigil mechanism;
18. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and suitability of the candidate;
19. In addition, reviewing of all other functions as envisaged under Section 177 of the Companies Act 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

There were 4 (Four) meetings of the Audit Committee held during Financial Year 2022-23 on May 26, 2022, August 12, 2022, November 14, 2022 and February 13, 2023.

The number of meetings attended by each member of the Audit Committee is as follows:

Name of the Member	No. of Meetings attended
Mr. S.R. Tagat	4
Mr. S.A. Bohra	4
Mr. M. Gopalakrishna	4
Mrs. Swarnamugi R Karthik	1*
Mr Arjun Govind Raghupathy	1**

*Resigned from the Board w.e.f. 04.08.2022.

** Mr Arjun Govind Raghupathy was co-opted as a member of the Committee on November 11,2022.

The Chairperson of the Audit Committee Mr. S. R.Tagat attended the previous Annual General Meeting of the Company held on September 29, 2022.

COMMITTEE OF DIRECTORS

As on March 31, 2023, Committee of Directors comprise of the following members;

1. Mrs. Sasikala Raghupathy - Chairperson
2. Mr. Arjun Govind Raghupathy, Managing Director
3. Mr P R Easwar Kumar, President and Chief Financial Officer

The quorum for Committee meetings is three.

There were 3 (three) meetings of Committee of Directors held during Financial Year 2022-23 on April 25, 2022, May 12, 2022 and February 23, 2023.

The number of meetings attended by each member of the Committee is as follows:

Name of the Member	No. of Meetings attended
Mr. Arjun Govind Raghupathy	1
Mrs. Swarnamugi R Karthik*	2
Mr. R. Ramesh Kumar**	2
Mrs. Sasikala Raghupathy	3
Mr P R Easwar Kumar@	1

* Resigned w.e.f. 04.08.2022

**Resigned w.e.f. 02.01.2023

@ co-opted as committee member w.e.f. 13.02.2023

SCOPE OF THE COMMITTEE

The Board has delegated the following powers to the Committee of Directors:

1. To exercise superintendence, direction, guidance and control over the affairs of the company and subsidiaries and to exercise all such powers and to do all such acts and things as the Company and Board are authorised to exercise and do in respect of any business or transaction for which the Managing Director is not vested with power and authority or other matters of importance; provided that the Committee shall not exercise any power or do act or thing which is directed or required to be exercised or done by the Board or at a general meeting under the provisions of the Companies Act, 2013 or Memorandum and Articles of Association of the company or by any other law for the time being in force or by any statutory authority.
2. The Committee of Directors is vested with powers relating to oversight of operating performance of the Company in general and specifically the following:
 - 1) Review of execution and delivery of Power Projects
 - 2) Review of closure of completed power project contracts
 - 3) Review of operating performance of Product Divisions
 - 4) Progress of BGR Boilers and BGR Turbines – operating performance and capital project implementation
 - 5) Cash flow management, including collections and borrowings

- 7) Closure of working capital facilities of completed projects
 - 8) Taxation – Compliance and completion of assessments
 - 9) Litigation and legal matters
 - 10) Progress of Capital Expenditure
 - 11) Transactions of exceptional nature
 - 12) Decisions on matters envisaged under Article 42 of the Articles of Association of the Company.
3. Borrowing moneys from Banks, NBFCs, companies, firms, and other institutions by way of overdraft, cash credit, hire purchase, lease and other funded and non-funded facilities (i.e., guarantees, letters of credit), lines of credit or otherwise and hire purchase, leasing, bills discounting or any other form of borrowings; provided that the total amount so borrowed and outstanding at any time shall not exceed Rs.10,000 Crore (Rupees Ten Thousand crore) and all such borrowings shall be in the ordinary course of business and be repayable on demand except hire purchase and lease or the like transactions.
 4. To open, close banking accounts for the company; and to determine the day to day operations of all banking accounts of the company and to authorise such persons, as the Committee may determine from time to time, for operating such accounts.”
 5. To delegate and empower officers of the Company and its subsidiaries and other persons to do such acts, deeds and things as may be necessary in carrying on the business of and in the interest of the Company and to comply with statutory requirements and such officers and persons may be empowered by a deed of power of attorney, which shall be executed by any member of the Committee for and on behalf of the Company.
 6. To affix the Common Seal of the company to any document, instrument in the presence of Mrs.Sasikala Raghupathy, Chairperson or Mr. Arjun Govind Raghupathy, Managing Director of the company wherever necessary and countersigned by Mr. S.Krishna Kumar, President & Company Secretary of the company in terms of Article 63 of Articles of Association of the company.
 7. To constitute sub-committee or working group or task force to carry into effect any business or transaction together with such power and authority and discretion in respect of matters delegated to them.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee comprises of Mr. S. A. Bohra, Chairperson of the Committee, Mr. S. R. Tagat, Mr. Gnana Rajasekaran and Mrs. Sasikala Raghupathy, Members of the Committee.

The terms of reference, powers and other matters in relation to the Nomination and Remuneration Committee are in accordance with the applicable provisions of the Companies Act, 2013 read with Companies (Meetings of Board & its Powers) Rules, 2014 as amended from time to time and with Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

ROLE OF NOMINATION AND REMUNERATION COMMITTEE:

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.
6. Recommend to the board, all remuneration, in whatever form, payable to the management.

During the financial year 2022-23 one nomination and remuneration committee meeting were held on March 29, 2023 and all the Directors were present at the meeting.

PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS

The following are the performance evaluation criteria for independent directors:

1. Ability to understand and contribute to the Board process.

2. Ability to understand and deliberate on agenda/ business.
3. Ability to bring about independent judgment to the transactions.
4. Ability to resolve conflict vis-a-vis interest of the company.
5. Ability to advice, guide and provide insight into business, markets and competition.
6. Ability to see through risks, compliance, fraud, litigation, abuse of office.
7. Ability to bring and fix responsibility for operating performance/ failures/accomplishments.
8. Ability to protect the interest of minority shareholders.
9. Sharing of knowledge and expertise on industry, technology, financial markets and taxation.
10. Attendance in Board Meetings and time spent.
11. Ability to critically analyse financial statements and operating Independent Directors.
12. Ability to act as custodian of the Board and resolve conflicts inter-se directors and with management.
13. Confidentiality of secrets and commercial information and data.

REMUNERATION PAID TO DIRECTORS DURING FY 2022-23 AND NUMBER OF THE SHARES HELD BY DIRECTORS

Name of Director	Remuneration		Sitting Fees* (₹ In Lakhs)
	Salary & Allowances (₹ in lakhs)	Bonus/ Exgratia	
Mrs. Swarnamugi R Karthik, Director – Corporate Strategy	32.03*	-	-
Mr. R. Ramesh Kumar, (*) Director & Secretary	124.53*	-	-
Mr. Arjun Govind Raghupathy, Deputy Managing Director & COO	18.46*	-	-

Mrs. Sasikala Raghupathy, Chairperson	-	-	4.00
Mr. M. Gopalakrishna, Director	-	-	4.80
Mr. S.A. Bohra, Director	-	-	4.80
Mr. S.R. Tagat, Director	-	-	4.80
Mr. Gnana Rajasekaran, Director	-	-	4.00
Mrs. Janaki C Ambat, Director	-	-	3.00

* Includes eligible reimbursements & Company's contribution to EPF.

Details of Shares of the Company held by Directors as on March 31, 2023.

Name of the Directors	Number of Shares held
Mr. Arjun Govind Raghupathy	4,320
Mrs. Sasikala Raghupathy	1,73,14,450
Mr. M. Gopalakrishna	-
Mr. S.A. Bohra	-
Mr. S.R. Tagat	135
Mr. Gnana Rajasekaran	-

STAKEHOLDERS RELATIONSHIP COMMITTEE

In terms of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the was constituted by the Board on May 30, 2014 and as on March 31, 2023 the Committee comprises of Mr. M. Gopalakrishna, Chairman of the Committee, Mr. S. A. Bohra and Mr Arjun Govind Raghupathy as the Members of the Committee. The Committee reviews and redresses all investors' grievances and complaints in general including non-receipt of dividend warrants, annual report, etc.

During the Financial Year the Committee had a meeting on March 29, 2023 which was attended by all the members

Report on Corporate Governance

of the Committee. The Company has redressed all the Investor Complaints received during the year under review, there were no pending investor complaints as on March 31, 2023.

Pursuant to Securities and Exchange Board of India's (SEBI) circular dated June 3, 2011 processing of investor complaints is web based redressal system "SCORES" and all complaints pertaining to the company, if any are sent electronically through SCORES. The Company views and submits Action Taken Reports ("ATRs") along with the supporting documents electronically in SCORES. As on March 31, 2023 there were no pending complaints in SEBI Scores.

COMPANY SECRETARY AND COMPLIANCE OFFICER

Mr. S. Krishna Kumar, President & Company Secretary is the Compliance Officer of the Company and acts as the Secretary for Committees of the Board.

GENERAL MEETINGS

- The last three Annual General Meetings were held as per details given below:

Financial Year	Date	Time	Venue
2021-22	September 29, 2022	12 Noon	Through Video Conference / Other Audio-Visual means
2020-21	September 17, 2021	12 Noon	Through Video Conference / Other Audio-Visual means
2019-20	September 17, 2020	3.00 P.M.	Through Video Conference / Other Audio-Visual means

- Special resolution passed in the previous three annual general meetings;

Financial Year	Date of AGM	Details of special resolution
2021-22	29.09.2022	Re-appointment of Mr Arjun Govind Raghupathy as Managing Director.
2020-21	17.09.2021	NIL

Financial Year	Date of AGM	Details of special resolution
2019-20	17.09.2020	<ol style="list-style-type: none"> Appointment of Mr.R.Ramesh Kumar as Whole Time Director of the Company. Waiver of recovery of excess remuneration paid to Mr.A.Swaminathan, Director – Engineering & Construction Business during the FY 2019-20. Waiver of recovery of excess remuneration paid to Mr. V. R. Mahadevan, Joint Managing Director during the FY 2019-20. Waiver of recovery of excess remuneration paid to Mrs.Swarnamugi R Karthik, Director – Corporate Strategy during the FY 2019-20. Waiver of recovery of excess remuneration paid to Mr. Arjun Govind Raghupathy, Deputy Managing Director during the FY 2019-20. Payment of minimum remuneration to Mr.Arjun Govind Raghupathy, Managing Director – for rest of his tenure of appointment. Payment of minimum remuneration to Mrs. Swarnamugi R Raghupathy, Director – Corporate Strategy for rest of her tenure of appointment.

Financial Year	Date of AGM	Details of special resolution
		8. Payment of minimum remuneration to Mr.V.R.Mahadevan, Joint Managing Director for rest of his tenure of appointment.

MEANS OF COMMUNICATION

- i. Results: The quarterly, half-yearly and annual results are normally published in one leading national (English) business newspaper and in one vernacular (Telugu) newspaper. The results and presentations are also displayed on the Company's website www.bgrcorp.com.
- ii. Website: The Company's website contains a dedicated section "Investors" which displays details/information of interest to various stakeholders.
- iii. News releases: Material information and official press releases are sent to the Stock Exchanges and the same is hosted on the website of the Company.

3. No special resolution was passed through postal ballot during the Financial Year 2022-23. None of the business proposed to be transacted in the ensuing Annual General Meeting require passing a special resolution through postal ballot.

GENERAL SHAREHOLDER INFORMATION

Day, date, time and venue of the 37th Annual General Meeting:

AGM Date & Time	:	September 29, 2023 at 12.30 PM.
Venue	:	Through Video Conferencing and Other Audio-Visual Means facility [Deemed Venue for the Meeting: No.443, Anna Salai, Teynampet, Chennai - 600018.

The details about the financial year and listing:

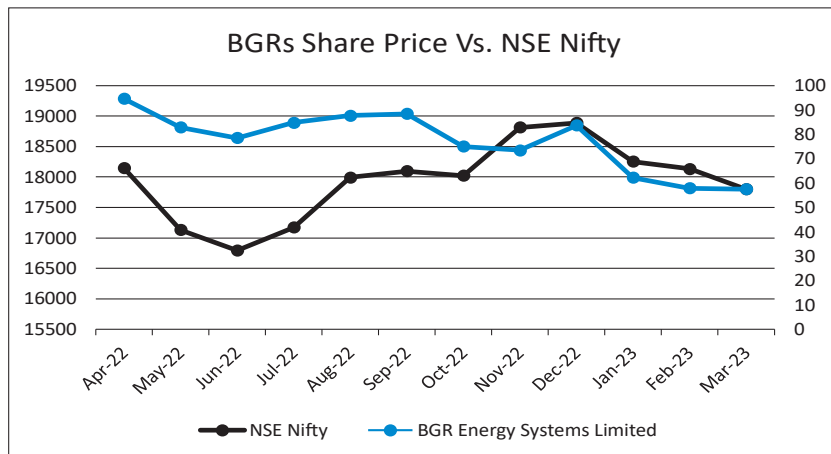
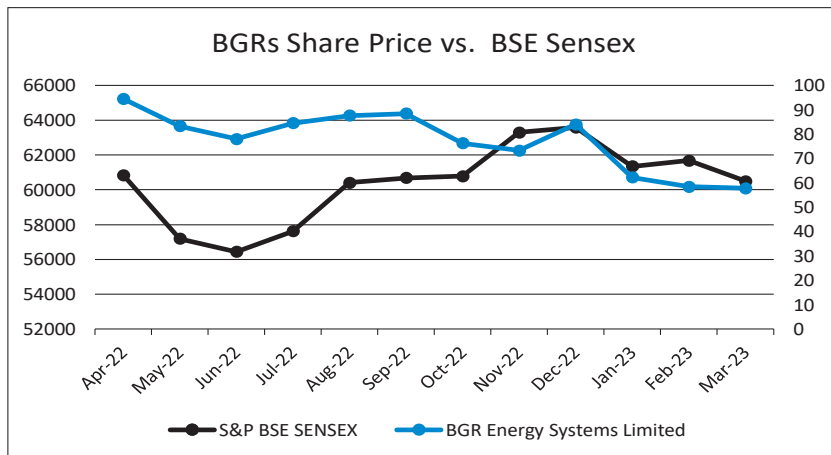
Financial Year	:	April 1, 2023 to March 31, 2024 First Quarter Results- On or before August 14,2023. Second Quarter Results- On or before November 14,2023. Third Quarter Results- On or before February 14,2024. Fourth Quarter Results- On or before May 30,2024.
Listing on Stock Exchanges	:	National Stock Exchange of India Limited BSE Limited The listing fees for the Financial Year 2023-24 have been paid to the above stock exchanges.
Stock Code	:	National Stock Exchange of India Limited – BGREENERGY BSE Limited – 532930
Demat ISIN	:	INE661I01014

Report on Corporate Governance

Stock Market Price Data & Stock performance in BSE and NSE:

Month	BGR Energy Systems Limited (BSE)		S&P BSE SENSEX		BGR Energy Systems Limited (NSE)		NSE Nifty	
	High (Rs.)	Low (Rs.)	High	Low	High (Rs.)	Low (Rs.)	High	Low
Apr-22	94.5	79.6	60845.1	56009.07	94.6	79.9	18144.65	16824.7
May-22	83.25	61.5	57184.21	52632.48	82.9	65	17132.85	15735.75
Jun-22	78	56.1	56432.62	50921.22	78.55	56.1	16793.85	15183.40
Jul-22	84.5	61.5	57619.27	52094.25	84.8	61.3	17172.80	15511.05
Aug-22	87.6	73.15	60411.2	57367.23	87.7	73.75	17992.20	17154.80
Sep-22	88.4	69.05	60676.12	56147.23	88.5	68.3	18096.15	16747.70
Oct-22	76.25	67.25	60786.7	56683.4	75.05	60	18022.80	16855.55
Nov-22	73.25	64.1	63,303.01	60425.47	73.5	64.2	18816.05	17959.20
Dec-22	84	58	63583.07	59754.1	83.7	58	18887.60	17774.25
Jan-23	62.2	54.1	61343.96	58699.2	62.2	54.5	18251.95	17405.55
Feb-23	58.35	47.3	61682.25	58795.97	57.9	47.1	18134.75	17255.20
Mar-23	57.78	44.25	60498.48	57084.91	57.5	44.25	17799.95	16828.35

Share performance in comparison with broad-based indices



Registrar and Share Transfer Agent : Link Intime India Private Limited
 C 101, 247 Park, L.B.S. Marg,
 Vikhroli (West), Mumbai – 400083
 Phone No: 022 – 4918 6000
 E-Mail: rnt.helpdesk@linkintime.co.in
 Contact Person: Ms. Suman Shetty
 Assistant Vice President – Client Relations

Shareholders are requested to correspond with the Registrar and Share transfer agent for transfer / transmission of shares, demat, remat, change of address, nomination, all queries pertaining to their shareholding, dividend, shares transferred to the Demat Account of IEPF Authority etc., at the address given above.

SHARE TRANSFER SYSTEM

Share transfers in physical mode are processed and approved, subject to receipt of all requisite documents. The Company ensures that all transfers are approved for registration within the stipulated period. With a view to expediting the approval process, the Board of Directors has constituted Share Transfer Committee to approve registration of transfer of physical shares.

DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2023

Shareholding	No. of Shareholders	% of total	No. of Shares	% of total
1 – 500	74836	92.6467	5526236	7.6581
501 – 1000	3183	3.9644	2545232	3.5271
1001 – 2000	1555	1.9367	2349041	3.2553
2001 – 3000	477	0.5941	1204820	1.6696
3001 – 4000	188	0.2342	670265	0.9288
4001 – 5000	152	0.1893	713642	0.9890
5001 – 10000	213	0.2653	1573621	2.1807
10001 and above	136	0.1694	57578703	79.7914
TOTAL	80290	100.00	72161560	100.00

SHAREHOLDING PATTERN AS ON MARCH 31, 2023

SI No	Category	Shares	Holders	Percent
1	Promoter group - Individuals	17318770	2	24.000
2	Promoter group - Corporate Bodies	36802400	1	51.000
3	Mutual Funds	0	0	0
4	Foreign Portfolio Investor	380810	582	0.52
5	Financial Institutions & Banks	0	0	0
6	Insurance Companies	184971	1	0.2563
7	Investor Education and Protection Fund Authority (IEPF)	77800	1	0.1078
8	Other Bodies Corporate	484708	200	0.6717
9	Foreign Companies	1804057	2	2.50
9	NRIs	380810	584	0.5475
10	Trusts	84	1	0.0001
11	Public & Others	14700682	78878	20.371
12	Clearing Members	25978	33	0.036
13	Directors	135	1	0.0002
14	Key Managerial Personnel	355	1	0.0005
	Total	72161560	80287	100.00

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DEMATERIALIZATION OF SHARES AND LIQUIDITY

The Company's shares are compulsorily traded in dematerialised form and are available for trading on both the depositories, National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on March 31, 2023, except 3 equity shares, the entire paid up equity share capital were held in dematerialisation form of which NSDL constitutes 87.13% and CDSL constitutes 12.86%. The ISIN of the Company's equity shares is INE661I01014. The Shares of the Company are actively traded in National Stock Exchange of India Limited and BSE Limited.

OUTSTANDING GDRS/ ADRS

The Company has not issued Global Depository Receipt / American Depository Receipt/ Warrant or convertible instruments.

COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

The Company has the Risk management policy on foreign currency transactions adopted by the Board. During the Financial Year 2022-23, the Company had managed the foreign exchange risk and hedged to the extent considered necessary. During the year under review there is no foreign exchange exposure.

The Company's activities are exposed to commodity risks like price volatility, availability and quality and liquidity risk. These risks have a bearing on the operating profit of the Company. The Company's senior management oversees the management and mitigative measures, including firm purchase contracts and price escalation clauses in contracts with clients.

The Audit Committee regularly reviews the effectiveness of the risk identification and mitigative process and the steps taken by the Company to identify, address and mitigate foreign exchange and commodity related risks.

DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT / UNCLAIMED SUSPENSE ACCOUNT:

As per Regulation 34(3) and 53(f) of SEBI (LODR) Regulations, 2015, the Company reports the following details in respect of Equity shares lying in the "Unclaimed Suspense Account"

PARTICULARS	No. OF SHARE HOLDERS	No. OF EQUITY SHARES
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	NIL	NIL
No. of Shareholders who approached listed entity for transfer of shares from suspense account during the year	NIL	NIL
No. of shareholders to whom shares were transferred from suspense account during the year	NIL	NIL
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	NIL	NIL

Since there is no shares lying in suspense account, the voting rights are not frozen.

PREVENTION OF SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE

The company is committed to provide a work environment which ensures that every employee is treated with dignity, respect and afforded equal treatment. The objective of the company is to promote an environment, which will create awareness about and deter acts of sexual harassment of women so as to enable prevention of sexual harassment at workplace. The Company has complied with provisions relating to the constitution of Internal Complaints Committee and has a policy for the same.

The disclosures regarding the Sexual Harassment of Women at Workplace are as follows:

PARTICULARS	DETAILS DURING THE YEAR 2022-23
No. of complaints filed during the year financial year.	NIL
No. of complaints disposed of during the financial year.	NIL
No. of complaints pending as on end of financial year.	NIL

CREDIT RATING

There is no change in the credit ratings for the financial year 2022-23.

INFORMATION ON COMPANY'S WEBSITE:

Sl. No.	PARTICULARS	WEBSITE LINK FOR DETAILS / POLICY
1	Details of Company's business	https://www.bgrcorp.com/index.php
2	Terms and conditions of appointment of independent directors	https://www.bgrcorp.com/board_of_directors.php
3	Composition of various committees of Board of Directors	https://www.bgrcorp.com/corporate_governance.php
4	Code of conduct of Board of directors and senior management personnel	https://www.bgrcorp.com/policy/Code_of_Conduct.pdf
5	Whistle Blower policy and Vigil mechanism	https://www.bgrcorp.com/policy/Whistle-Blower-Policy-Amended-2020.pdf
6	Criteria of making payments to non-executive directors, if the same has not been disclosed in Annual Report	Disclosed in Annual report
7	Related party transaction policy	http://www.bgrcorp.com/policy/policy-on-related-party-transactions-and-its-materiality.pdf
8	Material subsidiaries policy	http://www.bgrcorp.com/policy/Material_subsidary_policy.pdf
9	Familiarisation programme imparted to independent directors	http://www.bgrcorp.com/policy/policy-on-familiarization-programme.pdf
10	Grievance redressal and other relevant details	https://www.bgrcorp.com/general_information.php
11	Contact information of the designated officials of the listed entity who are responsible for assisting and handling investor grievances	https://www.bgrcorp.com/general_information.php
12	Financial information a) Notice of Board Meeting b) Financial Results c) Annual report	https://www.bgrcorp.com/corporateannouncements.php https://www.bgrcorp.com/financials.php https://www.bgrcorp.com/annual_report.php
13	Shareholding pattern	https://www.bgrcorp.com/share_ownership.php
14	Details of agreements entered into with the media companies and / or their associates	NIL
15	Schedule of analysts or institutional investors meet and presentations made by the listed entity to analysts or institutional investors	NIL

Report on Corporate Governance

Sl. No.	PARTICULARS	WEBSITE LINK FOR DETAILS / POLICY
16	Audio or Video recordings and transcripts of post earnings / quarterly calls	NIL
17	Financial results Notices given to shareholders by advertisement	https://www.bgrcorp.com/financials.php Published regularly
18	Credit ratings of the company	https://www.bgrcorp.com/corporateannouncements.php
19	Audited / Unaudited financial statement of subsidiaries	
20	Secretarial Compliance report	https://www.bgrcorp.com/secretarial_compliance_report.php
21	Disclosure of the policy for determination of materiality of events or information and contact details of KMP who is authorized.	https://www.bgrcorp.com/policy/Determination_of_Materiality_of_events.pdf
22	Disclosure of events disclosed to Stock exchange	https://www.bgrcorp.com/corporateannouncements.php
23	Annual Return	http://www.bgrcorp.com/annual_report.php

Plant Locations

1. Panjetty Village, Ponneri Taluk, Ponneri, Tamil Nadu. (Two factories).
2. Thurai Nallur village, Pudukoyal Arni Road, Pudukoyal Post, Ponneri Taluk, Tiruvallur District.
3. 22, Kamaraj Salai, Thattanchavadi Industrial Estate, Oulgaret Municipality, Puducherry.

Major Project Locations

1. 2 x 660 MW Boiler and its auxillary project of NTPC at Solapur, Maharashtra.
2. 2 x 660 MW Boiler and its auxillary project of NTPC at Meja, Uttarpradesh.
3. 2 x 800 MW STG and its auxillary plant at NTPC at Lara, Chhattishgarh.
4. 2 X 660 MW BoP project of OPGCL at Banaharpalli Village, Jhasarguda District, Odisha.
5. 1 x 800 MW – Dr. Narla Tata Rao Thermal Power Station, Stage – V (1X800 mw), unit-8 at Ibrahimpatnam, Krishna District, Andhra Pradesh.

6. 1 x 800 MW – North Chennai Supercritical Thermal Power Project, Stage III, in Puzhudhivakkam village, Ponneri Taluk, Tiruvallur District, Tamil Nadu.
7. 3 x 660 MW – Super Critical Ghatampur Thermal Power Project at Ghatampur, Kanpur Nagar District, Uttar Pradesh.
8. 2X 1000 MW NPCIL- Kudankulam Project for electrical and C&I, Kudankulam village, Tamil Nadu
9. 1 X 660 MW – Supercritical ETPS Expansion Project, Ennore, Tamil Nadu

NAME OF THE COMPLIANCE OFFICER AND ADDRESS FOR CORRESPONDENCE

Mr S Krishna Kumar
 Company Secretary & Compliance Officer
 BGR Energy Systems Limited
 443, Anna Salai, Teynampet, Chennai 600 018
 Tel : 044–24301000
 Fax: 044–24364656
 E-mail: investors@bgrenergy.com

DISCLOSURES

a) Risk Management

The business of the Company encompasses design at offices, manufacturing at factories and project sites, civil and mechanical construction, erection and commissioning of equipment's / packages and manufacturing at factories. The company has a well-documented Standard Operating Systems and Procedures (SOSP). The SOSP mandates concerned officers of the company to review, identify and take timely steps to manage these risks on an ongoing basis. A detailed review and up gradation of the existing SOSP was undertaken during the year. Delegation of Authority is reviewed each year to ensure that the adequate controls are in place and required flexibility are available for effective operations at work site and the commitments made to customers and vendors are met on time. Periodic review of procedural checks and balances are undertaken with a view to improve operational controls and productivity matrix. An experienced team of contract specialists in the Company review all contractual documents with the customers and the vendors in detail to ensure that all risks associated with the terms of contract are fully understood, documented and reviewed for ensuring effective implementation of the contracts.

b) Related Party Transactions

The company has not transacted any material significant related party transactions during the year that may have potential conflict with the interests of the Company at large. The related party transaction policy of the Company is uploaded in the website of the company and the web link for the same is http://bgrcorp.com/policy/Related_party_transactions_policy.pdf

c) Compliance with Securities Law

The Company diligently complies with laws relating to securities and capital markets. The Company is fully compliant with the Corporate Governance requirements as specified by Regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

d) Establishment of vigil mechanism and Whistle Blower Policy

The Company established a vigil mechanism as per Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and

Section 177(9) of the Companies Act, 2013 for directors and employees to report genuine concerns relating to transactions and affairs of the Company. This Vigil (Whistle Blower) mechanism provides a channel to the Employees and Directors to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of Conduct or policy. The mechanism provides for adequate safeguards against victimization of employees and directors who avail of the mechanism and also provide for direct access to the Vigilance and Ethics Committee and Chairman of the Audit Committee in exceptional cases. The Whistle blower policy cum Vigil Mechanism has been amended in line with the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 and the amended Whistle blower policy cum Vigil Mechanism of the Company is uploaded in the website of the company. The Company affirms that no personnel has been denied access to the audit committee.

e) Other Disclosures

The Board of Directors reviewed periodically compliance reports pertaining to all laws applicable to the company. The Board of Directors has adopted a Code of Conduct applicable to the directors and to employees of the company as per the Companies Act, 2013. This has been uploaded on the company's website www.bgrcorp.com for strict compliance. All Board members and the senior management personnel have affirmed compliance to the Code. The declaration by Managing director under SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 affirming compliance with code of conduct by all members of the Board and the senior management personnel for the year ended March 31, 2023 is provided elsewhere in the annual report. The senior management personnel disclosed to the Board of Directors relating to all material, financial and commercial transactions wherein they have personal interest that may have a potential conflict with the interest of the company at large. The Directors of the Company are not debarred or disqualified by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority from being appointed or continuing as Directors of Companies. Mr. Mohan Kumar, Practicing Company Secretary, has submitted a certificate to this effect.

f) Non-Mandatory Requirements

The company has complied with certain non-mandatory requirements viz., the post of Chairperson

and Chief Executive Officer separate, and the internal auditors of the Company are reporting directly to the Audit Committee. The Company is taking steps to comply with the other non-mandatory requirements.

g) Subsidiary Companies

The Company has the following subsidiary companies:

1. BGR Boilers Private Limited;
2. BGR Turbines Company Private Limited and
3. Sravanaa Properties Limited.

BGR Turbines Company Private Limited and Sravanaa Properties Limited are material subsidiaries, during the financial year 2022-23 as per the material subsidiary policy of the Company. The material subsidiary policy is uploaded in the website of the company and the link for the same is http://www.bgrcorp.com/policy/Material_subsidary_policy.pdf

The Company monitors the performance of its subsidiary, inter alia, by the following means:

1. The financial statements, of subsidiary companies are reviewed by the Audit Committee as well as by the Board on annual basis.
2. The minutes of Board meetings of the subsidiaries are placed and noted at the Board meetings of the Company.

3. The progress, including material developments, of the subsidiaries namely BGR Boilers Private Limited and BGR Turbines Company Private Limited are discussed by the Board.

h) Fees to Statutory Auditors:

Total fees of Rs. 37,800/- has been paid by the Company for all services provided by the statutory auditors during the Financial Year 2022-23.

- i) The Company has complied with all requirements of Corporate governance report.
- j) The Company has disclosed the extent of adoption of discretionary requirements of Part E of Schedule II of SEBI LODR.
- k) The Company and its unlisted subsidiaries has not granted any loans and advances in the nature of loans to firms/Companies in which Directors are interested.

REQUEST TO INVESTORS

- (a) Investors holding shares in physical form are requested to communicate change of address, if any directly to the Registrar and Share Transfer Agent of the Company.
- (b) Investors holding shares in electronic form are requested to deal only with their respective depository participant for change of address, nomination facility and bank account number.

DECLARATION ON CODE OF CONDUCT

To,

The Members of **BGR Energy Systems Limited**

DECLARATION TO THE MEMBERS PURSUANT TO SCHEDULE V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.

I, Arjun Govind Raghupathy, hereby declare that all the Board Members and Senior Management personnel have affirmed compliance with the code of business conduct and ethics formulated by the Company for the financial year ended March 31, 2023.

Arjun Govind Raghupathy
Managing Director

Place: Chennai
Date: May 30, 2023

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To

The Members,

BGR ENERGY SYSTEMS LIMITED.

I have examined the compliance of conditions of Corporate Governance by **BGR ENERGY SYSTEMS LIMITED [CIN: L40106AP1985PLC005318]** (hereinafter referred to as 'the Company'), for the year ended March 31, 2023 as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations.

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the 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 except as provided under:

- *The Company is in the process of appointing an Independent director in the Material Subsidiaries, M/s. Sravanaa Properties Limited and M/s. BGR Turbines Private Limited as per R. 16(1) (c) and Reg 24(1) of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.*
- *The Unsecured Loan obtained from Mr. Arjun Raghupathy Govind, the Managing Director, for an amount of Rs. 131.50 Crores was obtained without the prior approval of the Audit Committee and that of the members. However, the above-mentioned loan was ratified by the Audit Committee and members subsequently. As per the Regulation – 23(2) of the SEBI (LODR) Regulations 2015, the prior approval of Audit Committee and consequently from the Board and the members ought to have been obtained for the above said loan which is a related party transaction.*

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

For Mohan Kumar & Associates

A. Mohan Kumar

Practicing Company Secretary

Membership Number: FCS 4347

Certificate of Practice Number: 19145

Peer Review Certificate No. 2205/2022

UDIN: F004347E000412535

Place: Chennai

Date: 30.05.2023

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,
BGR Energy Systems Limited,
Plot No A5, Pannamgadu Industrial Estate,
Ramapuram Post, Sullurpet (T), Nellore Dist,
Andhra Pradesh - 524401.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **BGR Energy Systems Limited** having Corporate Identification Number (CIN) **L40106AP1985PLC005318** and having registered office at Plot No A5, Pannamgadu Industrial Estate, Ramapuram Post, Sullurpet (T), Nellore District, Andhra Pradesh - 524401 (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 none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any other such Statutory Authority.

S. No.	Name of Director	DIN	Date of appointment at current designation	Original Date of appointment in Company
1	Mr. Gopala Krishna Muddusetty	00088454	19-09-2008	18-07-2007
2	Mr. Srinath Raghupathy Tagat	01632756	19-09-2008	18-07-2007
3	Mr. Rajasekaran Gnanaprakasam	03194244	22-09-2011	10-02-2011
4	Mr. Sharaf Ali Bohra	00791861	19-09-2008	18-07-2007
5	Mrs. Sasikala Raghupathy	00490686	20-08-1985	20-08-1985
6	Mr. Raghupathy Arjun Govind	02700864	11-11-2016	11-11-2016

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

For Mohan Kumar & Associates

Place: Chennai
Date: 30.05.2023

A. Mohan Kumar
Practicing Company Secretary
Membership Number: FCS 4347
Certificate of Practice Number: 19145
Peer Review Certificate No. 2205/2022
UDIN: F004347E000412535

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

Name(s) of the related party and nature of relationship	Nil
Nature of contracts/arrangements/transactions	
Duration of the contracts/arrangements/transactions	
Salient terms of the contracts or arrangements or transactions including the value, if any	
Justification for entering into such contracts or arrangements or transactions	
Date of approval by the Board	
Amount paid as advances, if any:	
Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

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

Name(s) of the related party and nature of relationship	Mr. Arjun Govind Raghupathy
Nature of contracts/arrangements/transactions	Loan from Director
Duration of the contracts/arrangements/transactions	Financial Year 2022-23
Salient terms of the contracts or arrangements or transactions including the value, if any	<ol style="list-style-type: none"> 1. Aggregate amount of loan Rs.200 crore. 2. The period of borrowing is for the financial year 2022-23. 3. The Lender recognise that the funds borrowed under this agreement shall not be repayable except with the permission of the bankers of the borrower and hence repayment separately negotiated and agreed. 4. The borrowal under this agreement shall be unsecured. 5. The Lender shall have an option to convert the loan and unpaid interest into equity/quasi equity/preference share as may be permissible under and subject to compliance with the Companies Act, 2013 and SEBI Regulations and other rules and regulations as are relevant and applicable.

	<p>6. The Lender shall have right to assign this agreement without the consent of the borrower.</p> <p>7. In case the borrower delays any repayment when demanded by the Lender, in terms of approval given by the banker, the loan shall carry a penal interest of 2% over the agreed rate of interest. The Lender shall have a right to call back the loan and in case of default the lender has right to recover the sums due in accordance with law.</p>
Date(s) of approval by the Board, if any	12 th August, 2022
Amount paid as advances, if any	--

For and on behalf of the Board

Place: Chennai
Date: August 11, 2023

Sasikala Raghupathy
Chairperson

Independent Auditors' Report

INDEPENDENT AUDITORS' REPORT

To
The Members of BGR Energy Systems Limited
Report on Audit of the Standalone Financial Statements

OPINION

We have audited the accompanying Standalone Financial Statements of BGR Energy Systems Limited (referred to as the "Company") which comprises the Balance Sheet as at March 31,2023, the Statement of Profit and Loss (including other comprehensive income), Statement of Cash Flows and Statement of changes in Equity for the year then ended, and notes to the standalone 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, 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 Companies Act 2013 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 31,2023, the Loss including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

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

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 year ended March

31,2023. 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.

1. Revenue Recognition in case of Construction Contracts:

The Company recognises revenue in case of Revenue from Construction Contracts on the basis of stage of completion based on the proportion of contract costs incurred, relating to the total costs of the contract at completion. Thus, the recognition of revenue is based on estimates in relation to total estimated costs of each contract and cost incurred. There are significant accounting judgments which include estimates of cost of completion of the Contract, the stages of completion and timing of revenue recognition.

Estimates also takes into account various contingencies in the contracts & uncertain risks, disputed claims against the company relating to different contract which are reviewed by the management on a regular basis over the contract life and adjusted appropriately.

The revenue on contracts may also include variable consideration (variations and claims). Variable consideration is recognised when the recovery of such consideration is probable.

As revenue recognition involves aforesaid significant judgement and estimation, we therefore determined this to be a key audit matter.

Our principal audit procedures included but were not limited to:

- ❖ We assessed the appropriateness of the Company's revenue recognition policies, including those related to variable considerations by comparing with applicable accounting standards;
- ❖ We tested the effectiveness of controls relating to the evaluation of performance obligations and identification of those that are distinct; estimation of costs to complete each of the performance obligations including the contingencies in respect thereof, as work progresses and the impact thereon as a consequence of change orders; the impact of change orders on the transaction price of the related contracts; and evaluation of the impact of variable consideration on the transaction price.
- ❖ We selected a sample of contracts with customers and performed the following procedures:

- o Obtained and read contract documents for each selection, change orders and other documents that were part of the agreement/arrangement.
- o Identified significant terms and deliverables in the contract to assess management's conclusions regarding the (i) identification of distinct performance obligations; (ii) changes to costs to complete as work progresses and as a consequence of change orders; (iii) the impact of change orders on the transaction price; and (iv) the evaluation of the adjustment to the transaction price on account of variable consideration.
- o Compared costs incurred with Company's estimates of costs incurred to date to identify significant variations and evaluated whether those variations have been considered appropriately in estimating the remaining costs to complete the contract.
- o Tested the estimate for consistency with the status of delivery of milestones and customer acceptance to identify possible delays in achieving milestones, which require changes in estimated costs or efforts to complete the remaining performance obligation
- ❖ Performed analytical audit procedures for reasonableness of revenues disclosed by type and nature of service.
- ❖ Assessed appropriateness of the relevant disclosures made by the company in accordance with Ind AS 115.

We concluded that based on the procedures performed above, we did not find any material exceptions with regards to adoption of Ind AS 115 and timing of revenue recognition.

INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON:

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' Report and Management Discussion and Analysis, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

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 performed, we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance. We have nothing to report in this regard.

RESPONSIBILITY 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 Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatements, 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.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS:

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatements, whether due to

Independent Auditors' Report

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

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

- a. Identify and assess the risks of material misstatements 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;
- b. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether company has adequate internal financial controls system in place and the operating effectiveness of such controls;
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- d. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- e. Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial

statements represent the underlying transactions and events in a manner that achieves fair presentation;

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work: and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

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 of the current period and are therefore the key audit matters. We describe these matters in our auditor's 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 comparative financial information of the company for the year ended 31st March, 2022 included in these Standalone financial statements, are audited by the predecessor auditors of the company and their report dated 20th May, 2022, wherein an unmodified opinion is expressed by them.

Our opinion is not modified in respect of these matters.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS:

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we

give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable our report thereon is enclosed as “**Annexure A**”.

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 and proper adequate returns have been received from all the regional offices of the company;
- c. The Company's Balance Sheet, the Statement of Profit and Loss (incl. Other Comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this report are in agreement with the books of accounts;
- d. In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with The Companies (Indian Accounting Standards) Rules, 2015, as amended thereon.
- e. On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**”. Our report expresses unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- g. With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in 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 standalone financial statements; (*Refer Note No. 36 to the Standalone Financial Statements*)
- ii. The company has made provision, as required under applicable law or accounting standards, for material foreseeable losses, if any on long-term contracts including derivative contracts;
- iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company;
- iv.
 - a. The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall,
 - ❖ directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or
 - ❖ provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b. The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall,
 - ❖ directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or

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- ❖ on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c. Based on such audit procedures as considered reasonable and appropriate in these circumstances, nothing has come to our notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
- v. In lieu of carried over previous years' and current year losses, the company has not

declared and/or paid any dividend during the year in accordance with Sec.123 of the Companies Act, 2013;

**For Anand and Ponnappan
Chartered Accountants
FRN000111S**

**R. Ponnappan
Partner**

**Place: Chennai
Date: 30.05.2023**

**Membership No : 021695
UDIN: 23021695BGUOPT2498**

ANNEXURE - A TO THE AUDITORS' REPORT

Referred to in Paragraph 1 under "Report on Other Legal and Regulatory Requirements" section of our report to the Members of the Company of even dated

Based on the audit procedures performed and information and explanations given to us, we report that:

i. In respect of the Company's Property, Plant and Equipment,

- a. The company has maintained proper records showing full particulars with respect to
 - A. Property, Plant and Equipment including quantitative details and situation thereon and relevant details of right-of-use assets;
 - B. Intangible Assets;
- b. The company has a practice of conducting physical verification of property, plant and equipment's mainly every year based on a program designed by the management, which in our opinion are reasonable, having regard to the size and the magnitude of the company.

During the year, the internal committee of the company has conducted physical verification of entire Property, Plant and Equipment and given a report confirming the categories of assets verified with no major adverse comments. Based on our examination of working papers with which the process of verifications is carried out, we have not come across any significant deficiencies in this regard;

- c. The company has clear title deeds of immovable properties held in its name, measuring 19.58 Acres in aggregate; However, with regard to premises measuring about 96,300 Sq. ft at Chennai used for the Company's Corporate Office, the lease term has been expired. The Company is yet to enter into a new lease agreement or renew the existing lease.
- d. During the year, the company has not revalued its Property, Plant and Equipment (Inc. Right to Use assets) or Intangible Assets or both. Accordingly reporting under this clause does not arise.
- e. The Company does not hold any benami property. Accordingly, reporting under this clause does not arise.

ii. In respect of the Inventories:

- a. The company has regular program in physical verification of inventories, which is carried out annually. During the year, the management has formed a technical committee for carrying out the physical verification.

Based on documents and reports made available to us and considering the size and nature of industry, the physical verification conducted by the management and policies adopted thereon are reasonable. However, we have not come across any significant deficiencies (ie., more than 10%) in this regard;

- b. The Company is sanctioned a working capital limit (i.e, both fund and non-fund-based facilities) in excess of Rs.5.00 Crores by the Banks on the basis of the security of current assets and book debts.

In our opinion, the quarterly returns or statements filed by the company with bank are in agreement with books of the accounts.

- iii. During the year, the company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms and limited liability partnerships or other parties covered under the register maintained under section 189 of the Companies Act, 2013.

Hence, the reporting under the provisions of clause (iii) (a), (b),(c),(d),(e) and (f) of the order are not applicable.

- iv. The company has complied with the provisions of section 185 and 186 of the Companies Act 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v. The company has not accepted any deposits from the public, hence the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 of the Companies Act, 2013 and the rules framed there under, are not applicable.
- vi. The company is maintaining the cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act.

We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended

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prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed cost records have been made and maintained.

We have, however not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii. In respect of statutory dues:

a. The company has generally been regular in depositing undisputed applicable statutory dues including provident fund, employees' state insurance, income-tax, sales tax, and service tax, duty of customs, duty of excise, GST, cess and any other statutory dues applicable to it with the appropriate authorities;

There were no outstanding of aforesaid statutory dues as on March 31, 2023 for a period of more than six months from the date they became payable.

b. There were no dues of GST, Income Tax, value added tax, duty of customs, duty of excise and cess which have not been deposited on account of any dispute except in the cases provided as **Annexure-C**;

viii. We have not come across any transactions that are not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Hence, the recording of unrecorded income in the books of accounts does not arise.

ix. a. Subject to Note No. 41 to the Standalone Financial Statements, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender (ie., banks, financial institutions, Government and other lenders).

b. To the best of our knowledge, the company has not been declared willful defaulter by any bank or financial institution or government or any government authorities.

c. The company has not availed any term loans from Bank/Financial Institutions during the year. Accordingly, reporting for this clause does not arise.

d. On overall examination of the financial statements of the company, we report that no funds raised

on short term basis have been used for long term purposes by the company.

e. The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or joint ventures.

Further, the company does not have any associates.

f. The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures.

Further, the company does not have any associates.

x. a. The Company has not raised money by way of initial public offer or further public offer (including debt instrument) during the year. Accordingly, reporting under this clause does not arise.

b. During the year, company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Therefore, reporting under this clause is not applicable to the company.

xi. To the best of our knowledge,

a. No fraud by the company or on the company has been noticed or reported during the year.

b. No report has been filed by us or the predecessor auditors of the company or cost auditors secretarial auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government in accordance with section 143(12) of the Companies Act, 2013 during the year and upto the date of issuance of this report.

c. As represented to us by the management, there are no whistle blower complaints received by the company during the year.

xii. The company is not a Nidhi company. Hence, the reporting under the provisions of clause (xii) (a), (b) and (c) of the order are not applicable.

xiii. In our opinion, all the related party transactions during the financial year are in compliance with Section 177 and 188 of Companies Act, 2013 and the details of the said transactions have been disclosed appropriately in the standalone financial statements in accordance with applicable Ind AS.

xiv. a. In our opinion and based on our examination, the company has an adequate internal audit system

commensurate with the size and nature of its business.

- b. We have obtained the internal audit reports for the period under audit on a timely manner and duly considered by us, in determining the nature, timing and extent of our audit procedures.
- xv. According to the information and explanations given to us, in our opinion during the year the company has not entered into any non-cash transactions with directors or persons connected with its directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the company.
- xvi. The company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1935.

Accordingly, the reporting under the provisions of clause (xvi) (b) and (c) of the order does not arise.

Further, in our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under this clause is not applicable to the company.

- xvii. The company has incurred any cash losses of Rs. 51,096.98 lakhs in the financial year and Rs.21,133 lakhs in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly reporting under this clause does not arise.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements of the company, our knowledge of the Board of Directors and management plans and based on our examination of the evidences supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of

the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date,

We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

- xx. Even though the company is under the obligation to spend amount in accordance with Sec.135 of the Companies Act, 2013, the last three immediately preceding financial years, the company has net losses, hence there is no amount that has been prescribed by the CSR Committee, which needs to be spent during the year.

Further, in our opinion,

- a. there are no unspent amount in respect of other than ongoing projects, to a Fund specified in Schedule VII to the Companies Act, 2013 till the date of our report.
- b. there are no amount remaining unspent in respect of ongoing projects.
- xxi. The reporting under this clause is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of this clause has been included in this report.

**For Anand and Ponnappan
Chartered Accountants
FRN000111S**

**R. Ponnappan
Partner**

**Place: Chennai
Date: 30.05.2023**

**Membership No : 021695
UDIN: 23021695BGUOPT2498**

Independent Auditors' Report

ANNEXURE – B TO THE AUDITORS' REPORT

Referred to in Paragraph 2(f) under “Report on Other Legal and Regulatory Requirements’ section of our report to the Members of the Company of even dated.

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

We have audited the Internal Financials Controls over Financial Reporting of BGR Energy Systems Limited (referred to as the “Company”) for the year ended March 31, 2023, in conjunction with our audit of the Standalone Financial Statements of the company.

MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR’S RESPONSIBILITY

Our responsibility is to express an opinion on the company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide us for our audit opinion on the company’s internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone 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:

- a. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- b. provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone 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
- c. 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 standalone financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls,

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

OPINION

In our opinion, the company has in all material respects, maintains adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, 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 Anand and Ponnappan
Chartered Accountants
FRN000111S**

**R. Ponnappan
Partner**

**Place: Chennai
Date: 30.05.2023**

**Membership No : 021695
UDIN: 23021695BGUOPT2498**

Independent Auditors' Report

ANNEXURE – C TO THE AUDITORS' REPORT- CARO 2020

Referred to in Clause vii (b) of Annexure-A to the Auditors' Report of our report to the Members of the Company of even dated

Name of the Statute	Nature of Dues		Amount (In Lakhs)		Period to which the amount relates	Forum where dispute is pending
			Disputed	Deposited		
The Finance Act, 1994	Classification of Erection, Commissioning and Installation Service as works contract service	Service Tax	36,278.75	1,196.29	June 2007 to June 2017	CESTAT, Chennai
		Interest	42,289.09	-		
		Penalty	12,670.03	-		
	Levy on Bank Charges	Service Tax	384.18	38.41	April 2007 to March 2017	
		Interest	276.53	-		
		Penalty	123.89	-		
	Service Tax	2.50	0.19	April 2017 to June 2017	Commissioner of Central Excise (Appeals), Chennai	
	Interest					
	Penalty	0.25	-			
The Employee Provident Fund & Miscellaneous Provisions Act, 1952	Contribution under Sec.7A of the Act	Provident Fund	521.15	100.00	June 2006 to May 2010	The Honourable High Court, Hyderabad
Rajasthan Value Added Tax Act, 2003	Treatment of Contracts entered with RRVUNL as a composite and indivisible contract which tantamount to a works contract.	Tax	9,866.26	2,222.42	2009-10	The Honourable High Court of Rajasthan, Jaipur
		Interest	3,847.29			
		Penalty	19,732.51			
		Tax	9,541.31	3,381.48	2010-11	
		Interest	2,316.14			
		Penalty	19,082.63			
		Tax	4,333.66	3,610.59	2011-12	
		Interest	180.77			
The Central Sales Tax Act, 1956 Andhra Pradesh	Classification and Levy of higher rate of tax	Tax	39.20	-	1997-98	The Honourable High Court, Andhra Pradesh
		Tax	0.12	-	1998-99	The Commercial Tax Officer, Andhra Pradesh
		Tax	1.45	0.62	2004-05	Sales Tax Appellate Tribunal, Visakhapatnam, Andhra Pradesh
		Penalty	4.13			
		Tax	2.07	1.04	March-2007	
		Penalty	0.52			
		Tax	5.94	2.97	April-2007	
		Penalty	1.49			
Tax	109.83	13.74	2016-17	Appellate Deputy Commissioner (CT), Tirupathi, Andhra Pradesh		
AP Value Added Tax Act, 2005	Determination of Taxable Turnover	Tax	408.97	51.12	AY 2011-12	Appellate Deputy Commissioner (CT), Tirupathi, Andhra Pradesh
Gujarat Goods and Service Tax Act, 2017	Difference in Tax Liability and ITC Comparison	Tax	37.57	-	2019-20	The Joint Commissioner GST, Vyara Tapi
		Interest	11.27	-		
		Penalty	37.57	-		
Kerala Value Added Tax Act, 2003	Detention of Goods Transported	Tax	1.44	1.76	2006-07	Sales Tax Appellate Tribunal, Kerala
		Interest	1.21			
		Penalty	0.96			
The Maharashtra Value Added Tax Act, 2002	Disallowance of Claim of Sale & Purchases	Tax	43.57	43.57	2013-14	The Joint Commissioner of Sales Tax, Appeal V, Mumbai
		Interest	10.29	10.29		
		Tax	16.90	-	2014-15	

Name of the Statute	Nature of Dues		Amount (In Lakhs)		Period to which the amount relates	Forum where dispute is pending
			Disputed	Deposited		
The Orissa Value Added Tax Act, 2004	Determination of Taxable Turnover	Tax	20.39	-	Oct 2015 to June 2017	The Joint Commissioner Commercial Tax Bhubaneswar Range
		Penalty	20.39	-		
Tamil Nadu General Sales Tax Act, 1959	Determination of Taxable Turnover	Tax	0.11	-	1999-00	Commercial Tax Officer, Tamilnadu
Tamil Nadu Value Added Tax Act, 2006	Disallowance of Input Tax Credit	Tax	31.80	8.00	2011-12	The Honourable Madras High Court, Chennai
		Penalty	15.90			
		Tax	14.36	3.59	2012-13	
		Penalty	7.18			
Tamil Nadu Goods and Service Tax Act 2017	Mismatch in Turnover, Input Tax Credit & TDS	Tax	9,077.84	-	2018-19	Appellate Deputy Commissioner (ST), GST Appeal-I, Chennai-6
		Interest	6,411.56	-		
		Penalty	965.79	-		
The Central Sales Tax Act, 1956 (Uttar Pradesh)	Determination of Taxable Turnover	Tax	14.80	12.00	2017-18	The Additional Commissioner (Appeal) Commercial Tax, Prayagraj.
The Income Tax Act, 1961	Disallowance of Depreciation/ Expenditures Claimed	Income Tax	137.65	-	AY 2007-08	The Honourable High Court, Andhra Pradesh
		Income Tax	141.55	-	AY 2008-09	
		Income Tax	192.15	-	AY 2009-10	
		Income Tax	101.17	-	AY 2010-11	The Honourable Madras High Court, Chennai
		Income Tax	112.79	-	AY 2011-12	
		Income Tax	83.20	-	AY 2012-13	
		Income Tax	76.35	-	AY 2013-14	
		Income Tax	1,468.05	-	AY 2008-09 to AY 2014-15	
		Income Tax	575.71	575.71	AY 2015-16	Income Tax Appellate Tribunal, Chennai
		Income Tax #	377.34	377.45	AY 2016-17	The Honourable Madras High Court, Chennai
		Income Tax #	135.33	-	AY 2017-18	
		Income Tax	67.65	67.65	AY 2018-19	Income Tax Appellate Tribunal, Chennai
		Income Tax	125.12	125.12	AY 2020-21	Commissioner of Income Tax (Appeals), Chennai

* Interest on Service Tax and Goods and Service Tax (GST) Cases are computed on approximate basis.

#The Company is in the process of filling Appeal before Hon'ble Madras High Court.

**For Anand and Ponnappan
Chartered Accountants
FRN000111S**

**R. Ponnappan
Partner**

**Place: Chennai
Date: 30.05.2023**

**Membership No : 021695
UDIN: 23021695BGUOPT2498**

Standalone Balance Sheet as at 31.03.2023

Particulars	Note No.	Rs. Lakhs	
		As at Mar 31, 2023	As at Mar 31, 2022
ASSETS			
I Non Current Assets			
(a) Property, plant and equipment	1	8191	9527
(b) Investment Property		252	-
(c) Capital work in progress		-	-
(d) Other Intangible assets	2	-	60
(e) Financial assets			
(i) Investments	3 (a)	36019	35994
(ii) Trade receivables	3 (b)	19051	54091
(iii) Loans	3 (c)	931	1196
(iv) Other financial assets	3 (d)	4766	8003
(f) Deferred tax assets (net)		7537	-
		76747	108871
II Current Assets			
(a) Inventories	4	4238	3852
(b) Financial assets			
(i) Trade receivables	5 (a)	67672	73009
(ii) Cash and cash equivalents	5 (b)	219	576
(iii) Bank balance other than (ii) above	5 (b)	28035	25335
(iv) Loans	5 (c)	40949	45436
(v) Other financial assets	5 (d)	776	1022
(c) Other current assets	6	269507	269981
		411396	419211
TOTAL ASSETS		488143	528082
EQUITY AND LIABILITIES			
I Equity			
(a) Equity Share Capital	7	7216	7216
(b) Other Equity		33106	80979
Total Equity		40322	88195
II Liabilities			
Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	8	23107	-
(ii) Lease Liabilities	9	239	-
(iii) Trade payables		-	-
Total Outstanding dues of micro enterprises and small enterprises	10	9863	9420
Total Outstanding dues of creditors other than micro enterprises and small enterprises	11	4605	4558
(b) Provisions	30	-	8134
(c) Deferred tax liabilities (net)		-	-
		37814	22112
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	8	161033	187846
(ii) Lease Liabilities	9	84	3
(iii) Trade payables		-	-
Total Outstanding dues of micro enterprises and small enterprises	10	12126	12551
Total Outstanding dues of creditors other than micro enterprises and small enterprises	10	83154	88495
(iv) Other financial liabilities	12	134174	109253
(b) Other Current Liabilities	13	18752	18925
(c) Provisions	14	684	702
(d) Current tax liabilities (net)		-	-
		410007	417775
Total Liabilities		447821	439887
TOTAL EQUITY AND LIABILITIES		488143	528082

Corporate overview & Significant accounting policies

1.1

Notes to the Standalone Financial Statements

1-44

The accompanying notes are integral part of these Standalone Financial Statements

For and on behalf of Board of Directors

As per our report of even date
For Anand & Ponnappan
Chartered Accountants
Firm Registration No. : 000111S

SASIKALA RAGHUPATHY
Chairperson
DIN : 00490686

ARJUN GOVIND RAGHUPATHY
Managing Director
DIN : 02700864

R PONNAPPAN
Partner
Membership No.021695

S.R.TAGAT
Independent Director
DIN : 01632756

GNANA RAJASEKARAN
Independent Director
DIN : 03194244

P.R.EASWAR KUMAR
President & Chief Financial Officer

S KRISHNA KUMAR
President & Company Secretary

Chennai
May 30,2023

Standalone Statement of Profit and Loss for the year ended 31.03.2023

Rs. Lakhs

Particulars	Note No.	For the year ended Mar 31, 2023 Rs.Lakhs	For the year ended Mar 31, 2022 Rs.Lakhs
I Revenue from operations	15	80627	122070
II Other income	16	5129	1244
III Total Income (I + II)		85756	123314
IV Expenses			
(a) Cost of raw materials and components consumed	17	55912	76260
(b) Cost of manufacturing and construction	18	12333	13399
(c) Other direct costs	19	1471	922
(d) Changes in inventories of work in progress		118	(99)
(e) Employee benefits expenses	20	12555	13138
(f) Finance costs	21	39942	35863
(g) Depreciation and amortization expenses	22	1674	2731
(h) Other expenses	23	25270	4741
Total expenses (IV)		149275	146955
V Profit/(Loss) before exceptional items and tax (III-IV)		(63519)	(23641)
VI Exceptional items		-	-
VII Profit/(Loss) before tax (V)+(VI)		(63519)	(23641)
VIII Tax expenses			
(i) Current tax		-	-
(ii) Deferred tax		(15665)	(5834)
IX Profit/(Loss) for the year(VII)-(VIII)		(47854)	(17807)
X Other Comprehensive Income	25		
(i) items that will not be reclassified to profit or loss (net)	25	(18)	(2)
(ii) items that will be reclassified to profit or loss (net)	25	-	(306)
XI Total Comprehensive Income for the year (IX+X) (Comprising Profit and other Comprehensive Income for the year)		(47872)	(18115)
XII Earnings per Equity Share :	26		
1. Basic (Rs.)		(66.32)	(24.68)
2. Diluted (Rs.)		(66.32)	(24.68)
Corporate overview & Significant accounting policies	1.1		
Notes to the Standalone Financial Statements	1-44		
The accompanying notes are integral part of these Standalone Financial Statements			

For and on behalf of Board of Directors

As per our report of even date
For Anand & Ponnappan
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President & Chief Financial Officer

S KRISHNA KUMAR
President & Company Secretary

Chennai
May 30,2023

Standalone Statement of Cash Flows for the year ended 31.03.2023

Rs.Lakhs

S.No	Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Net profit before tax	(63519)	(23641)
	Adjustments for :		
	Depreciation and amortization expenses	1674	2731
	Dividend from investments - quoted	(1)	-
	(Profit) / Loss on sale of Property, plant and equipment (net)	32	(223)
	Provision for Warranty	(171)	(115)
	Provision for ECL on Trade Receivables	(341)	(220)
	Provision for ECL on Contract Asset	28	513
	Liquidated damages & Trade receivables written off	20422	-
	Finance Costs	39942	35863
	Operating profit before working capital changes	(1934)	14908
	Changes in working capital		
	(Increase) / decrease in trade receivables	20296	7082
	(Increase) / decrease in inventories	(386)	859
	(Increase) / decrease in current assets	1229	(16716)
	(Increase) / decrease in loans and advances	1164	1173
	Increase / (decrease) in trade payables and provisions	6523	23423
		28827	15821
	Cash generated from operations	26893	30729
	Direct taxes (paid) / refund (net)	3588	2699
	Net cash flow from operating activities	30481	33428
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Property, plant and equipment	(213)	(192)
	Sale of Property, plant and equipment	14	989
	Dividend from investments - quoted	1	-
	Net cash flow from investing activities	(198)	797
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Long term borrowings (repaid) / availed	23107	-
	Short term borrowings (repaid) / availed	(20267)	(3336)
	Payment of lease obligations	(84)	(431)
	Interest paid	(33396)	(33220)
	Net cash flow from financing activities	(30640)	(36987)
	Net increase\decrease) in cash and cash equivalents (A+B+C)	(357)	(2762)
	Cash and cash equivalents as at April 1, 2022	576	3338
	Cash and cash equivalents as at Mar 31, 2023	219	576
	Cash on hand	9	10
	On current accounts	50	341
	On deposit accounts	160	225

For and on behalf of Board of Directors

As per our report of even date
For Anand & Ponnappan
Chartered Accountants
Firm Registration No. : 000111S

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Chairperson
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President & Chief Financial Officer

S KRISHNA KUMAR
President & Company Secretary

Chennai
May 30,2023

Standalone Statement of Changes in Equity

Statement of Changes in Equity (2022-23)

S. No	Particulars	Equity Share Capital	Other Equity					Total (22-23)
			Securities Premium	General Reserves	Retained Earnings	Equity Instruments through Other Comprehensive Income	Effective Portion of Cash Flow Hedges	
1	Balance at the beginning of reporting Period (01.04.2022)	7216	31895	14427	35023	43	(554)	88195
2	Profit for the year				(47854)			(47854)
3	Equity Instruments through Other Comprehensive Income					19		19
4	Effective Portion of Cash Flow Hedges						-	
5	Remeasurement of net defined benefit Liability/Asset (net)							(37)
6	Transfer to General Reserve							
7	Dividend							
8	Any other Change							
9	Balance at the end of reporting Period (31.03.2023)	7216	31895	14427	(12831)	62	(554)	40322

Statement of Changes in Equity (2021-22)

S. No	Particulars	Equity Share Capital	Other Equity					Total (21-22)
			Securities Premium	General Reserves	Retained Earnings	Equity Instruments through Other Comprehensive Income	Effective Portion of Cash Flow Hedges	
1	Balance at the beginning of reporting Period (01.04.2021)	7216	31895	14427	52830	26	(248)	106310
2	Profit for the year				(17807)			(17807)
3	Equity Instruments through Other Comprehensive Income					17		17
4	Effective Portion of Cash Flow Hedges						(306)	(306)
5	Remeasurement of net defined benefit Liability/Asset (net)							(19)
6	Transfer to General Reserve							
7	Dividend							
8	Any other Change							
9	Balance at the end of reporting Period (31.03.2022)	7216	31895	14427	35023	43	(554)	88195

For and on behalf of Board of Directors

SASIKALA RAGHUPATHY
Chairperson
DIN : 00490686

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Independent Director
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Managing Director
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GNANA RAJASEKARAN
Independent Director
DIN : 03194244

S KRISHNA KUMAR
President & Company Secretary

Vide our report even date
For Anand & Ponnappan
Chartered Accountants
Firm Registration No. : 000111S

R PONNAPPAN
Partner
Membership No.021695

Chennai
May 30,2023

Notes to the Standalone Financial Statements

A. COMPANY OVERVIEW

BGR Energy Systems Limited ('the Company') is a public limited company incorporated under the provisions of the Companies Act, 1956. Its equity shares are listed on Bombay Stock Exchange ('BSE') and National Stock Exchange ('NSE'). The Company is a manufacturer of capital equipment for Power Plants, Petrochemical Industries, Refineries, Process Industries and undertakes turnkey Balance of Plant ('BOP') and Engineering Procurement and Construction ('EPC') contracts for Power plants. The Company has been achieving its objectives through its five business units: Power projects, Electrical projects, Oil and Gas equipment, Environmental engineering and Air Fin Coolers.

The standalone financial statements for the year ended March 31, 2023 were approved by the Board of Directors and authorised for issue on 30.05.2023

B. BASIS OF PREPARATION

i) Statement of Compliance

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 (Act) (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard require a change in the accounting policy hitherto in use.

ii) Use of estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the applications of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period.

Application of accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of assumptions in these financial statements have been disclosed below:

- a. Recognition of revenue
- b. Recognition of deferred tax asset : availability of future taxable profit
- c. Measurement of defined benefit obligations: Key actuarial assumptions
- d. Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources
- e. Estimation of useful life of property, plant and equipment and intangible assets
- f. Estimation of current tax expense and payable
- g. Estimation on assessing the Lease term as the non-cancellable period of a lease including anticipated renewals and the applicable discount rate.

Accounting estimates are reviewed on an on-going basis from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as and when management becomes aware of changes in circumstances surrounding the estimates. Changes in the estimates are reflected in the financial statements in the period in which change are made and, if material, their effects are disclosed in the notes to the financial statements.

iii) Functional and presentation currency

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

The financial statements are presented in Indian Rupee (INR), which is Company's functional and presentation currency.

The Standalone Financial Statements are presented in Indian Currency which is also the Company's functional currency. All amounts have been rounded off to the nearest millions, unless otherwise stated along with the comparative figures for the previous year ended.

iv) Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values.

Fair value categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly

(i.e. prices) or indirectly (i.e. derived from prices)

Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs)

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumption made in measuring fair values are included in fair value measurement forming part of notes to accounts.

v) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

1. Expected to be realised or intended to be sold or consumed in normal operating cycle, or
2. Held primarily for the purpose of trading, or
3. Expected to be realised within twelve months after the reporting period, or

4. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

1. It is expected to be settled in normal operating cycle, or
2. It is held primarily for the purpose of trading, or
3. It is due to be settled within twelve months after the reporting period, or
4. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified project life as its operating cycle for construction contracts and twelve months for Capital goods segment .

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

C. SIGNIFICANT ACCOUNTING POLICIES

i) Property, Plant and Equipment

a) Recognition & Measurement

Property, Plant and Equipment are stated at cost, less accumulated depreciation and impairment losses, if any. Cost of Property, plant and equipment comprises its purchase cost, including import duties and non - refundable taxes or levies and any directly attributable cost to bring the item to working condition as intended by management. Further, any trade discounts and rebates are deducted. Any gain or loss on disposal of property, plant and equipment is recognised as profit or loss.

b) Subsequent Recognition

Expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

c) Depreciation

The Company depreciates the property, plant and equipment based on the of the useful life prescribed under Part C of Schedule II of the Companies Act, 2013 using Straight-line method. Freehold land is not depreciated. The useful life of the property, plant and equipment are as follows

Assets	Estimate of Useful Life in Years
Tangible Assets	
Buildings	30
Furniture & Fixtures	10
Plant & Equipment *	7.50-15
Office Fixtures	5
Office equipments	3, 5
Electrical Installations	10
Vehicles	8

*The Management believes that the useful lives as given above best represents the period over which Management expects to use these assets, which are different from the useful lives prescribed in the Schedule-II of the Companies Act, 2013.

Assets costing not more than Rs.5000/- unit is expensed in the profit and loss account in the year in which there purchased.

d) Capital Work-in-progress

Capital Work-In Progress includes cost of property, plant and equipment under installation/ under developments as at the Balance Sheet date.

Property, Plant and Equipment not ready for the intended use on the date of Balance Sheet are disclosed as "Capital work-in-progress" at cost, less impairment losses, if any.

e) Transition to Ind AS

On transition to Ind AS, the Company has decided to continue with the carrying value of

all its property, plant and equipment recognised as at April 1, 2015, measured as per previous GAAP and use that carrying amount as the deemed cost of such property, plant and equipment.

ii) Intangible Assets

a) Recognition & Measurement

Intangible assets are stated at cost, less accumulated amortisation and impairment losses, if any.

b) Subsequent Recognition

Expenditure is capitalised only if it increases the future economic benefits embodied in the related specific asset. All other expenditure is recognised in profit or loss as incurred.

c) Amortisation

The Company amortises the intangible assets over the estimated useful life made by the Management using Straight-line method, and is included in Depreciation and amortisation in the Statement of Profit and Loss.

The estimated useful life of the intangible assets are as follows

Intangible Assets	
Asset	Estimate of Useful Life in Years
Technical Know-How	6
Softwares	5

d) Transition to Ind AS

On transition to Ind AS, the Company has decided to continue with the carrying value of all its Intangible asset recognised as at April 1, 2015, measured as per previous GAAP and use that carrying amount as the deemed cost of such Intangible asset.

iii) Investment Properties

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and impairment losses.

Depreciation on Investment property, wherever applicable, is provided on straight line basis as per useful lives prescribed in Part C of Schedule II to Companies Act 2013.

Investment properties are de-recognised either on disposal or on permanent withdrawal from use. Any gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognised in the Statement of Profit and Loss.

iv) Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. The Company's lease asset classes primarily consist of leases for land and buildings

a) Recognition & Measurement

The Company recognizes a right of use (ROU) asset and a corresponding lease liability, at the date of commencement of the lease. The Company recognize ROU asset and lease liability for all lease arrangements except for leases with a term of 12 months or less (Short Term Lease) and low value leases.

The ROU assets are initially recognized at cost which is the initial measurement of lease liability adjusted for any lease payment made at or prior to the commencement date of the lease plus any initial direct cost less any lease incentives.

The Lease Liability is recognized at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments discounted using the company's incremental borrowing rate.

In cases of short-term leases and low value leases, the company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

b) Subsequent Recognition

The ROU assets are subsequently measured at cost less accumulated depreciation, impairment loss, if any and adjusted for any re-measurement of the lease liability.

The lease liabilities are subsequently measured by adding interest on lease liability to the carrying value, reducing the lease payments made to the carrying value and adjusting any reassessment or lease modification to the carrying value.

c) Amortization

The ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the lease assets.

d) Impairment

The ROU assets are tested for impairment whenever there is an indication that their carrying value may not be recoverable and impairment loss, if any, is recognized in the statement of profit and loss.

The lease liability has been separately presented in the Balance Sheet. The ROU assets have been classified under Property, Plant and Equipment. In the statement of cash flow, the lease payments, which comprises of principal payment of lease liability and interest thereon, have been classified under financing activities. The Lease payment on account of Short-Term Leases or low value lease have been classified under operating activities

v) Inventories

Raw materials, Components, Stores and Spares, work-in-progress and Finished Goods are valued at lower of cost and net realizable value. Cost of inventories is determined on a weighted average basis. Finished goods and work-in-progress include cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

Raw-materials, Components and other supplies are considered to be realizable at cost if the finished products, in which they will be used are expected to be sold at or above cost

In the case of manufactured inventory, cost includes an appropriate share of fixed production overhead based on normal operating capacity.

vi) Foreign currency transactions

Transactions in foreign currencies are recorded in the functional currency at the exchange rates

prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate prevailing at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on the historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in the profit or loss.

vii) Employee benefits

a) Short-term employee benefits :

Short-term employee benefits are recognized as an expense at the undiscounted amount in the statement of profit and loss for the year in which related services are rendered.

b) Post employment benefits:

i) Defined contribution plan:

Company's contributions paid/payable during the year towards provident fund, pension scheme and employees' state insurance ('ESI') scheme are recognized in the statement of profit and loss.

ii) Defined benefit plan:

Company's liability towards gratuity in accordance with the Payment of Gratuity Act, 1972 is determined based on actuarial valuation using the Projected Unit Credit Method as at the reporting date. The company contributes all the ascertained liabilities to SBI Life Insurance which administers the contributions and makes the payment at retirement, death, incapacitation or termination of employment.

c) Other Long-term employee benefits:

The Company provides for compensated absences subject to certain rules. The employees are entitled to accumulate such absences for availment as well as encashment. As per the regular past practice followed by the employees, it is not expected that the entire accumulated absence shall be encashed or

availed by the employees during the next twelve months and accordingly the benefit is treated as other long-term employee benefits. The liability is recognized on the basis of the present value of the future benefit obligations as determined by actuarial valuation.

- d) All actuarial gains/losses in respect of post employment benefits and other long term employee benefits are charged to Other Comprehensive Income.

viii) Financial instruments

a. Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instruments.

The Company measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

b. Financial assets - Classification

On initial recognition, a financial asset is classified as, measured at

1. Amortised cost;
2. Fair value through other comprehensive income (FVOCI) - debt instrument;
3. Fair value through other comprehensive income (FVOCI) - equity instrument;
4. Fair value through profit and loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

c. Financial assets - Measurement

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL :

1. The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

2. 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.

A financial asset is measured at FVTOCI if it meets both of the following conditions and is not designated as at FVTPL:

1. The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and
2. The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI - equity investment). This election is made on an investment by investment basis.

All financial assets not classified as measured at amortised cost or FVTOCI as described above are measured at FVTPL.

On initial recognition, the Company may irrevocably designate a financial asset as measured at FVTPL if doing so eliminates or significantly reduces accounting mismatch that would otherwise arise from recognising them as measured at amortised cost or at FVOCI.

d. Financial assets - Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the right to receive the contractual cash flows in a transaction in which subsequently all of the risk and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transaction whereby it transfers asset recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

e. Financial liabilities - Classification

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability

is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition.

f. Financial liabilities - Measurement

Financial liabilities measured at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss.

Other financial liabilities are measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss.

g. Financial liabilities - Derecognition

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired. The Company also derecognises a financial liability when its term are modified and the cash flows under the modified terms are substantially different, where a new financial liability based on the modified terms is recognised at fair value. Any gain or loss on derecognition in these cases, shall be recognised in profit or loss.

h. Offsetting

Financial assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

ix) Investments in subsidiaries and joint venture

Investment in subsidiaries and joint ventures are carried at cost less accumulated impairment (i.e., permanent diminution in value), if any in the financial statements.

x) Cash flow hedge

The Company designates certain foreign exchange forward and options contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast transactions.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated

in the cash flow hedging reserve. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the net profit in the Statement of Profit and Loss upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified to net profit in the Statement of Profit and Loss.

xi) Impairment

a. Financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair value through profit or loss. Loss allowance for trade receivables and contract assets with no significant financing component is measured at an amount equal to lifetime ECL. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

b. Non-financial assets (Intangible assets and property, plant and equipment)

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets.

In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

xii) Provisions (other than for employee benefits)

- a) A Provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.
- b) Provision for contractual obligation has been provided for in accounts based on management's assessment of the probable outcome with reference to the available information supplemented by experience of similar transactions.
- c) The Company makes provision towards warranty obligation arising under the contract, while progressively recognising the revenue, based on management estimate and past experience of similar contracts. Such provision is maintained until the warranty period is completed. The unutilised provision if any, is reversed on expiry of the warranty period.

xiii) Revenue

The Company has adopted Ind AS 115 'Revenue from Contracts with Customers' with the date

of initial application being April 1, 2018. Ind AS 115 establishes a comprehensive framework on revenue recognition. Ind AS 115 replaces Ind AS 18 'Revenue' and Ind AS 11 'Construction Contracts'.

- a) **Sale of goods and services - Performance obligation at a point in time**

Revenue from the sale of goods in the course of ordinary activities is measured at the transaction price of the consideration received or receivable, net of returns, trade discounts. Revenue is recognised on the basis of despatches in accordance with the terms of sale when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of the goods can be estimated reliably, there is no continuing effective control over, or managerial involvement with the goods, and the amount of revenue can be measured reliably. The timing of transfers of risk and rewards varies depending on the individual terms of sale.

Revenue from services is recognized in accordance with the specific terms of contract on performance.

Other operating revenue includes scrap sale, interest income on margin money deposits etc. arising out of and incidental to the principal operation. The entire income under other operating revenue is recognised on accrual basis except in the case of interest income which is recognised using effective rate of interest method.

- b) **Construction contracts - Performance obligation over time**

The Company uses the 'percentage of completion method' to determine the appropriate amount to recognise revenue in a given period. The stage of completion is measured by reference to the contract costs incurred upto the end of the reporting period as percentage of total estimated costs for each contract. Expected loss, if any, on the construction / project related activity is recognized as an expense in the period in which it is foreseen, irrespective of the stage of completion of the contract. While determining the amount of foreseeable loss, all elements of costs and related incidental income not included is taken into consideration.

In respect of construction contracts, revenue includes variations in contract work, claims and incentive payments are included in contract revenue to the extent that may have been agreed with the customer and are capable of being reliably measured.

- c) **Other Income**

Other income is comprised primarily of dividend income and exchange gain/loss on forward and options contracts and on translation of other assets and liabilities.

Dividend income: Dividend income is recognised in profit or loss on the date on which the Company's right to receive payments is established.

Others: Any other income is recognised only on accrual basis.

- xiv) **Borrowing costs**

Borrowing costs that are attributable to the acquisition or construction of a qualifying asset are capitalized as part of the cost of such asset till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.

- xv) **Income tax**

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to other comprehensive income.

- a) **Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustments to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantially enacted by the reporting date. Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended realise the asset and settle the liability on a net basis or simultaneously.

b) *Deferred tax*

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purpose. Deferred tax is recognised in respect of carried forward losses and tax credits. Deferred tax also not recognised for temporary differences arising on the initial recognition of assets or liabilities in a transaction that affects neither accounting nor taxable profit or loss at the time of transaction.

Deferred tax assets and liabilities are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets — unrecognised or recognised, are reviewed at each reporting date and are recognised/reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

xvi) **Segment Reporting**

a) *Segment policies:*

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

b) *Identification of segments:*

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The board of directors of the Company assesses the financial performance and position of the Company and makes strategic decisions.

c) *Segment Revenue and Segment Result:*

Segment revenue includes revenue from operations and other income directly identifiable with / allocable to the segment. Expenses that are directly identifiable with / allocable to segments are considered for determining the segment result. Revenue and expenses which relate to the Company as a whole and are not allocable to a segment on a reasonable basis have been disclosed as unallocable.

d) *Segment Assets and Liabilities:*

Segment assets and liabilities include those directly identifiable with respective segments. Unallocable corporate assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.

xvii) **Statement of Cash flows**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institution, other short-term, highly liquid investments with original maturities of twelve months or less that are readily convertible to known cash and which are subject to an insignificant risk of changes in value.

Statement of Cash flows are prepared using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash

nature and any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

xviii) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institution, other short-term, highly liquid investments with original maturities of twelve months or less that are readily convertible to known cash and which are subject to an insignificant risk of changes in value.

xix) Dividends

Final dividend on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company' Board of Directors.

xx) Earnings per share

a. Basic earning per share

Basic earnings per share is calculated by dividing

- i. the profit attributable to owners of the Company
- ii. by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares

b. Diluted earnings per share

Diluted earning per share adjusts the figures used in the determination of basic earnings per share to take into account:

- i. the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

- ii. the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares

xxi) Contingent liabilities

The company recognizes contingent liability for disclosure in notes to accounts, if any of the following conditions is fulfilled:

- a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise; or
- b) a present obligation that arises from past events but is not recognized because:
 - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - the amount of the obligation cannot be measured with sufficient reliability.

xxii) Contingent Assets

Contingent assets has to be recognised in the financial statements in the period in which it is virtually certain that an inflow of economic benefits will arise.

xxiii) 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 materials size or nature are only disclosed.

Notes to the Standalone Financial Statements

1. PROPERTY, PLANT AND EQUIPMENT

Rs.Lakhs

Particulars	Land	Building *	Plant and Equipment	Right of Use Asset	Furniture and fixtures	Office fixtures	Office equipments	Electrical installations	Vehicles	Total
Cost or valuation										
At 1 April 2022	546	2222	25663	1208	849	240	2291	358	1161	34538
Additions	-	-	197	387	-	-	10	6	-	600
Impairment	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	320	1208	85	-	41	3	251	1908
Less : Classified as Investment Property **	252	-	-	-	-	-	-	-	-	252
At 31 Mar 2023	294	2222	25540	387	764	240	2260	361	910	32978
Depreciation and impairment										
At 1 April 2022	-	760	18644	1205	687	237	2174	313	991	25011
Depreciation and Impairment charge for the year	-	70	1331	41	56	2	74	18	46	1638
Disposals	-	-	292	1208	74	-	41	3	244	1862
At 31 Mar 2023	-	830	19683	38	669	239	2207	328	793	24787
Net book value										
At 31 Mar 2023	294	1392	5857	349	95	1	53	33	117	8191
At 31 Mar 2022	546	1462	7019	3	162	3	117	45	170	9527

* Buildings include original cost of Rs. 1585 lakhs (Rs. 1585 lakhs), which are constructed on lease hold land, whose carrying value/Net block is Rs.1054 Lakhs (Rs.1104 Lakhs)

** The fair value of Immovable properties is approximately equivalent to its carrying value.

Note : The Company has clear title for all the immovable properties held in its name.

2. INTANGIBLE ASSETS

Rs.Lakhs

Particulars	Technical Knowhow	Software	Total
Cost or valuation			
At 1 April 2022	1348	2187	3535
Additions	-	-	-
Disposals	-	81	81
At 31 Mar 2023	1348	2106	3454
Amortisation and impairment			
At 1 April 2022	1348	2127	3475
Amortisation	-	36	36
Disposals	-	57	57
At 31 Mar 2023	1348	2106	3454
Net book value			
At 31 Mar 2023	-	-	-
At 31 Mar 2022	-	60	60

1. PROPERTY, PLANT AND EQUIPMENT

Rs.Lakhs

Particulars	Land	Building *	Plant and Equipment	Right of Use Asset	Furniture and fixtures	Office fixtures	Office equipments	Electrical installations	Vehicles	Total
Cost or valuation										
At 1 April 2021	1402	2661	26425	1208	849	240	2284	360	1275	36704
Additions	-	-	183	-	2	-	7	-	-	192
Impairment		439								439
Disposals	856	-	945	-	2	-	-	2	114	1919
At 31 Mar 2022	546	2222	25663	1208	849	240	2291	358	1161	34538
Depreciation and impairment										
At 1 April 2021	-	803	17944	820	622	234	2054	289	1049	23814
Depreciation and Impairment charge for the year **	-	396	1609	385	66	3	120	25	57	2661
Disposals	-	439	908	-	1	-	-	1	115	1464
At 31 Mar 2022	-	760	18644	1205	687	237	2174	313	991	25011
Net book value										
At 31 Mar 2022	546	1462	7019	3	162	3	117	45	170	9527
At 31 Mar 2021	1402	1858	8481	388	227	6	230	71	226	12890

* Buildings include original cost of Rs. 1585 lakhs (Rs. 1585 lakhs), which are constructed on lease hold land.

** Includes Impairment of Rs.312 Lakhs

2. INTANGIBLE ASSETS

Rs.Lakhs

Particulars	Technical Knowhow	Software	Total
Cost or valuation			
At 1 April 2021	1348	2187	3535
Additions	-	-	-
At 31 Mar 2022	1348	2187	3535
Amortisation and impairment			
At 1 April 2021	1348	2057	3405
Amortisation	-	70	70
At 31 Mar 2022	1348	2127	3475
Net book value			
At 31 Mar 2022	-	60	60
At 31 Mar 2021	-	130	130

Notes to the Standalone Financial Statements

3. FINANCIAL ASSETS

3 (a) Investments

Rs.Lakhs

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Investments at Cost		
Investments in Equity instruments of Subsidiaries		
Unquoted equity shares		
9,49,00,000 BGR Boilers Private Limited (9,49,00,000) of Rs. 10 each (India)	9490	9490
13,61,62,900 BGR Turbines Company Private Limited (13,61,62,900) of Rs. 10 each (India)	13616	13616
1,65,000 Sravanaa Properties Limited (1,65,000) of Rs. 10 each (India)	12787	12787
Total Investments carried at cost (A)	35893	35893
Investments at fair value through OCI (fully paid)		
Quoted equity shares		
13,970 Indian Bank (13,970) of Rs.91 per share (Face value Rs.10) Market Value Rs.288.55 (Rs.153.90) per share	40	22
Quoted Investments in Mutual Funds		
50,000 SBI Mutual Fund-Magnum Multi Cap Fund - Dividend (50,000) units Market Value Rs.33.0263 (Rs.34.1122) per unit	17	17
2,50,000 SBI Mutual Fund-Infrastructure Fund - I - Growth (2,50,000) units Market Value Rs.27.7633 (Rs.25.0112) per unit	69	62
Investments carried at fair value through Other Comprehensive Income (B)	126	101
Total Investments	36019	35994
Current	-	-
Non-Current	36019	35994
Aggregate cost of quoted investments	43	43
Aggregate market value of quoted investments	126	101
Aggregate value of unquoted investments	35893	35893

Information about subsidiaries and joint ventures

The separate financial statements of the Company includes below mentioned subsidiaries and joint venture

Notes to the Standalone Financial Statements

Subsidiary Companies

Name	Principal place of business	Method used for measurement	Extent of holding (%)	
			As at Mar 31, 2023	As at Mar 31, 2022
i. BGR Boilers Private Limited	Chennai, India	Carried at Cost	70%	70%
ii. BGR Turbines Company Private Limited	Chennai, India	Carried at Cost	74%	74%
iii. Sravanaa Properties Limited	Chennai, India	Carried at Cost	100%	100%

3 (b) Trade receivables - Non current

Rs.Lakhs

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Trade Receivables considered good - Secured	-	-
Trade Receivables considered good - Unsecured	19540	55478
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - credit impaired	-	-
	19540	55478
Less: Allowance for Credit Loss	(489)	(1387)
Total Trade receivables	19051	54091

3 (c) Loans - Non current

Rs.Lakhs

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Loans considered good - secured	-	-
Loans considered good - unsecured		
- Deposits	607	629
- Other loans and advances	490	567
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
	1097	1196
Less: Allowance for Credit Loss	(166)	-
Total loans	931	1196

3 (d) Other financial Assets

Rs.Lakhs

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Margin money deposit held under lien to banks - maturity more than 12 months	4657	7712
Interest accrued on margin money deposits	109	291
Total Other financial Assets	4766	8003

Notes to the Standalone Financial Statements

4 INVENTORIES

Rs.Lakhs

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Raw materials and components	4238	3734
Work-in-progress	-	118
Total Inventories	4238	3852

5. FINANCIAL ASSETS

5 (a) Trade receivables

Rs.Lakhs

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Trade Receivables considered good - Secured	-	-
Trade Receivables considered good - Unsecured		
- From related parties	1127	1219
- From Others	68974	73662
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - credit impaired	-	-
	70101	74881
Less: Allowance for Credit Loss	(2429)	(1872)
Total Trade receivables	67672	73009

Ageing of Trade Receivables as on 31.03.2023

S.No	Particulars	Outstanding for following periods from due date of payments					Total
		Less than 6 Months	6 Months to 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
1	Undisputed Trade Receivables - Considered Good	16,087	6,657	9,833	7,567	40,781	80,925
2	Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
3	Sub Total (a)	16,087	6,657	9,833	7,567	40,781	80,925
4	Disputed Trade Receivables - Considered Good	-	-	-	-	8,716	8,716
5	Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
6	Sub Total (b)	-	-	-	-	8,716	8,716
7	Grand Total (a+b)	16,087	6,657	9,833	7,567	49,497	89,641
8	Less: Allowance for Credit Loss						(2,918)
9	Net Total	16,087	6,657	9,833	7,567	49,497	86,723

Ageing of Trade Receivables as on 31.03.2022

Rs.Lakhs

S.No	Particulars	Outstanding for following periods from due date of payments					Total
		Less than 6 Months	6 Months to 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
1	Undisputed Trade Receivables - Considered Good	23,474	10,011	9,063	12,904	30,266	85,720
2	Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
3	Sub Total (a)	23,474	10,011	9,063	12,904	30,266	85,720
4	Disputed Trade Receivables - Considered Good	-	-	-	-	44,639	44,639
5	Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
6	Sub Total (b)	-	-	-	-	44,639	44,639
7	Grand Total (a+b)	23,474	10,011	9,063	12,904	74,906	1,30,359
8	Less: Allowance for Credit Loss						(3,259)
9	Net Total	23,474	10,011	9,063	12,904	74,906	1,27,100

5 (b) Cash and Bank Balances

Rs.Lakhs

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Cash and Cash equivalents		
Balances with banks:		
– On current accounts	50	341
– On deposits accounts	160	225
Cash on hand	9	10
Total Cash and cash equivalents	219	576
Margin money deposits held under lien to banks	28035	25335
Total Bank Balances other than Cash and Cash Equivalents	28035	25335
Total Cash and Bank Balances	28254	25911

Notes to the Standalone Financial Statements

5 (c) Loans

Rs.Lakhs

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Loans considered good - secured	-	-
Loans considered good - unsecured		
- Advance to related party	-	-
- Other loans and advances *	38825	43481
- Deposits	2124	1955
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
Total loans	40949	45436

* Includes employee loans, travel advances, prepaid expenses, DGFT refund, GST credit and VAT refunds.

5 (d) Other Financial Assets

Rs.Lakhs

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Interest accrued on fixed deposits	776	1022
Sub Total	776	1022

6. OTHER CURRENT ASSETS

Rs.Lakhs

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Advances other than capital advances		
Advance to suppliers	22131	25406
Others *	11445	8698
Prepayments	516	1868
Contract asset **	240219	238785
Sub Total	274311	274757
Less : Allowance for Credit Loss on Contract Asset	(4804)	(4776)
Total Other Current Assets	269507	269981

* During the FY 2018-19, a client arbitrarily encashed three performance bank guarantees totalling to Rs.8698 Lakhs. The Company has initiated arbitration proceedings and pending such proceedings, the amount of Rs.8698 Lakhs is grouped under " Other Current Assets ".

* During the FY 2022-23, a client arbitrarily encashed two performance bank guarantees totalling to Rs.2747 Lakhs. The Company has initiated arbitration proceedings and pending such proceedings, the amount of Rs.2747 Lakhs is grouped under " Other Current Assets ".

** Contract Assets includes Retention money of Rs.114299 Lakhs (Rs.121641 Lakhs)

7. EQUITY SHARE CAPITAL

Authorised Share Capital

Rs.Lakhs

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Share Capital at the beginning of the year (Face value Rs.10 each)	10,00,00,000	10,000	10,00,00,000	10,000
Increase / (Decrease) during the year	-	-	-	-
Share Capital at the end of the year	10,00,00,000	10,000	10,00,00,000	10,000

Issued, Subscribed and Paid-up Share Capital

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Issued, Subscribed and Paid-up Share Capital	7,21,61,560	7,216	7,21,61,560	7,216

a. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Outstanding at the beginning of the year	7,21,61,560	7216	7,21,61,560	7216
Issued during the year	-	-	-	-
Outstanding at the end of the year	7,21,61,560	7216	7,21,61,560	7216

b. Details of shareholders holding more than 5% shares in the company

Particulars	As at March 31, 2023			As at March 31, 2022		
	No. of Shares	% held	% Change during the year	No. of Shares	% held	% Change during the year
Mrs. Sasikala Raghupathy	1,73,14,450	23.99	-	1,73,14,450	23.99	(13.24)
BGR Investment Holdings Company Limited	3,68,02,400	51.00	-	3,68,02,400	51.00	13.24

Notes to the Standalone Financial Statements

c. Details of shareholdings held by promoters

Particulars	As at March 31, 2023			As at March 31, 2022		
	No. of Shares	% held	% Change during the year	No. of Shares	% held	% Change during the year
Mrs. Sasikala Raghupathy	1,73,14,450	23.99	-	1,73,14,450	23.99	(13.24)
BGR Investment Holdings Company Limited	3,68,02,400	51.00	-	3,68,02,400	51.00	13.24
Mr.S.K Sridhar	-	0.00	-	4,320	0.01	-
Mr.Arjun Govind Raghupathy	4,320	0.01	-	-	0.00	-

d. Terms/rights attached to equity shares

The Company has one class of shares referred to as equity shares having a Face value of Rs 10. Each holder of equity shares is entitled to one vote per share.

8. BORROWINGS

Rs.Lakhs

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Unsecured		
Unsecured Loan from related parties	23107	-
Unsecured Loan from Others	-	-
Secured		
Term Loans from Banks	-	-
Borrowings (Non Current)	23107	-
Working capital loans from banks	161033	187846
Borrowings (Current)	161033	187846
Total Borrowings	184140	187846

- a) The balance in project specific escrow,current and EEFC accounts have been netted off against respective project's working capital loan accounts.
- b) The Company has availed working capital loan from State Bank of India on sole banking basis for its Product business and project business which have not been specifically funded by other banks. The loan is secured by hypothecation of inventories, trade receivables and movable assets of Product Division viz AFC, ETD, OGED, EED and EPD excluding Project assets specifically charged to the banks / Consortium of banks. The loan from State Bank of India is further secured by first charge on land property at Panjetti Village, Tiruvallur Dist, Tamilnadu and first charge on the fixed assets of the Product Division.

The Loan is further secured by corporate guarantee and collateral of land held by Sravanaa Properties Limited (Subsidiary Company), pledge of shares held by BGR Investment Holdings Company Limited in BGR Energy Systems Limited and the corporate guarantee of BGR Investment Holdings Company Limited.

Notes to the Standalone Financial Statements

- c) The Company has availed contract specific working capital loans from State Bank of India, IDBI Bank, Punjab National Bank, Canara Bank, Bank of Baroda, Indian Bank, Bank of India, Central Bank of India, Axis Bank, ICICI Bank, Kotak Mahindra Bank Ltd, Export Import Bank of India and Union Bank of India. These loans are secured by hypothecation of inventories, trade receivables and movable current assets of the respective contracts. The participating banks share the securities on pari-passu basis.
- d) The working capital loan from Export Import Bank of India, is further secured by the second charge on current assets of the product divisions.
- e) During the year the Company has availed unsecured Loans from Related Parties namely loan from Managing Director Rs.20000 Lakhs and Loan from BGR Investment Holdings Company Limited Rs.3107 Lakhs both at the interest rate of 9.75% p.a. These loans are repayable on demand subject to approval from Banks.
- f) The quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

FINANCIAL LIABILITIES

9. LEASE LIABILITIES

Rs.Lakhs

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Lease Liabilities - Non Current	239	-
Lease Liabilities - Current	84	3
Total Lease Liabilities	323	3

10. TRADE PAYABLES

Rs.Lakhs

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Micro enterprises and small enterprises	12126	12551
Others		
Other than Micro enterprises and small enterprises	93017	97915
Total Trade Payables	105143	110466
Trade Payables Current	95280	101046
Trade Payables Non Current	9863	9420

Notes to the Standalone Financial Statements

Ageing of Trade Payables as on 31.03.2023

Rs.Lakhs

S. No	Particulars	Outstanding for following periods from due date of payments				Total
		Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
1	MSME	2,949	1,594	1,236	4,584	10,363
2	Others	25,912	5,730	8,624	37,153	77,419
3	Sub Total	28,861	7,324	9,860	41,737	87,782
4	MSME - Disputed Dues	76	4	220	1,463	1,763
5	Others - Disputed Dues	6,699	1,025	2,206	5,668	15,598
6	Sub Total	6,775	1,029	2,426	7,131	17,361
7	Total	35,636	8,353	12,286	48,868	1,05,143

Ageing of Trade Payables as on 31.03.2022

Rs.Lakhs

S. No	Particulars	Outstanding for following periods from due date of payments				Total
		Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
1	MSME	4,365	1,913	2,651	1,572	10,501
2	Others	31,176	9,239	19,406	37,428	97,249
3	Sub Total	35,541	11,152	22,058	39,000	1,07,750
4	MSME - Disputed Dues	117	234	606	1,093	2,050
5	Others - Disputed Dues	180	0	80	405	666
6	Sub Total	297	234	686	1,498	2,716
7	Total	35,838	11,386	22,744	40,498	1,10,466

Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006.

On the basis of confirmation obtained from suppliers who have registered themselves under the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Company, the following are the details:

Rs.Lakhs

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Principal amount remaining unpaid	14312	12922
Interest due thereon remaining unpaid	5952	3494
Payments made to the supplier beyond the appointed day during the year	3669	6227
Interest paid to the supplier	-	-
Interest due and payable for the period of delay in making payment without adding interest specified under this Act.	-	-
Interest accrued and remaining unpaid	5952	3494
Amount of further interest remaining due and payable in succeeding years	-	-

11. PROVISIONS

Rs.Lakhs

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Employee benefit obligations		
Provision for leave encashment	211	231
Provision for gratuity	898	899
Provision for contractual obligation	1300	1300
Provision for warranty	2196	2128
Total Non Current Provisions	4605	4558

12. OTHER FINANCIAL LIABILITIES

Rs.Lakhs

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Current maturities of long-term borrowings	-	-
Advance from customers	124075	105700
Interest accrued	10099	3553
Total Financial liabilities	134174	109253

13. OTHER CURRENT LIABILITIES

Rs.Lakhs

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Other payables *	10952	10530
Contract liability	7800	8395
Total Other Current Liabilities	18752	18925

* Other payables include expenses payable, employee dues, withholding taxes and other statutory dues.

14. PROVISIONS

Rs.Lakhs

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Employee benefit obligations		
Provision for bonus	8	19
Provision for leave encashment	100	109
Provision for gratuity	326	334
Others		
Provision for warranty	250	240
Total Provisions	684	702

Notes to the Standalone Financial Statements

STATEMENT OF PROFIT AND LOSS

15. REVENUE FROM OPERATIONS

Rs.Lakhs

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Capital goods	19247	18892
Construction and EPC contracts	59760	101353
Other operating revenues		
-Interest on Margin Money Deposits	1487	1542
-Income from scrap Sales	133	283
Total Other operating revenues	1620	1825
Total Revenue from operations	80627	122070

16. OTHER INCOME

Rs.Lakhs

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Dividend from investments - quoted	1	-
Others		
Net gain on disposal of property, plant and equipment	-	223
Foreign exchange (net)	1991	430
Interest Income - Tax Refund	483	591
Provision no longer required/Written back	2654	-
Total Income	5129	1244

17. COST OF RAW MATERIAL AND COMPONENTS CONSUMED

Rs.Lakhs

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Opening inventory	3734	4692
(Raw materials, consumables, bought outs and components)		
Add : Purchases	56416	75302
	60150	79994
Less: Closing inventory	4238	3734
(Raw materials, consumables, bought outs and components)		
Cost of raw material and components consumed	55912	76260

Notes to the Standalone Financial Statements

18. COST OF MANUFACTURING AND CONSTRUCTION

Rs.Lakhs

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Subcontracting and processing charges	12202	13271
Power and fuel	131	128
Cost of manufacturing and construction	12333	13399

19. OTHER DIRECT COST

Rs.Lakhs

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Insurance	1405	807
Packing and forwarding	66	115
Other direct cost	1471	922

20. EMPLOYEE BENEFITS EXPENSE

Rs.Lakhs

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Salaries, allowances and bonus	11373	11713
Contribution to P.F., E.S.I.	413	424
Workmen and staff welfare expenses	614	715
Compensated Absences	59	84
Gratuity	96	202
Employee benefits expense	12555	13138

21. FINANCE COSTS

Rs.Lakhs

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Interest on working capital loans	18936	19121
Hedging Premium-Expense	661	1034
Interest - others *	13442	8881
Other Finance Charges	6903	6827
Finance costs	39942	35863

* Includes Interest on Customer Advance, MSME Interest and Unsecured Loan from Related Parties

22. DEPRECIATION AND AMORTIZATION EXPENSE

Rs.Lakhs

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Depreciation of Property, Plant & Equipments (incl. Right to use)	1638	2661
Amortization of intangible assets	36	70
Depreciation and amortization expense	1674	2731

Notes to the Standalone Financial Statements

23. OTHER EXPENSES

Rs.Lakhs

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Rent	644	479
Payment to Statutory auditors (refer details below)	51	40
Conveyance and vehicle running expenses	528	512
Liquidated damages	7052	-
Trade receivables written off	13370	-
Electricity charges	148	142
Insurance	80	75
Loss on sale of Property, Plant and Equipments (net)	32	-
Miscellaneous expenses	312	353
Printing and Stationery	42	41
CSR expenses	-	1
Professional charges	1333	1461
Rates and taxes	58	125
Repairs and maintenance	920	887
Security charges	215	250
Selling expenses	17	23
Sitting fees	25	27
Telephone expenses	69	78
Travelling expenses	374	247
Total Other expenses	25270	4741

PAYMENT TO STATUTORY AUDITORS

Rs.Lakhs

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
- For audit fees	36	36
- For taxation matters	14	-
- For certification and others	1	4
Total Payment to Statutory Auditors	51	40

24. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Rs.Lakhs

S.No	Particulars	2022-23	2021-22
1	Amount required to be spent by the Company during the year	-	-
2	Amount of expenditure incurred	-	1
3	Shortfall at the end of the year	-	-
4	Total of previous years shortfall	-	-
5	Reasons for shortfall	-	-

Notes to the Standalone Financial Statements

S.No	Particulars	2022-23	2021-22
6	Nature of CSR activities	-	Deposited in to Swachh Bharat Kosh
7	Details of related party transactions., e.g contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standard	-	-
8	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	-	-

25. COMPONENTS OF OTHER COMPREHENSIVE INCOME (OCI)

Rs.Lakhs

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Items that will not be reclassified to Profit/Loss		
Remeasurement of net defined benefit Liability/Asset (net)	(37)	(19)
Equity Instruments through Other Comprehensive Income (net)	19	17
Items that will be reclassified to Profit/Loss		
Fair value changes on cash flow hedges (net)	-	(306)
Total Other Comprehensive Income for the Year	(18)	(308)

26. EARNINGS PER SHARE (EPS)

Rs.Lakhs

The following reflects the profit and share data used in the basic and diluted EPS computation :

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Basic EPS		
Profit after tax as per accounts	(47854)	(17807)
Weighted average number of equity shares (face value Rs.10 per share) (lakh Nos.)	722	722
Basic EPS (Rs.)	(66.32)	(24.68)
Diluted EPS		
Profit for the year for basic EPS	(47854)	(17807)
Less : Adjustment	-	-
Adjusted profit for diluted EPS	(47854)	(17807)
Weighted average number of equity shares for Basic EPS (lakh Nos.)	722	722
Add : Adjustment	-	-
Weighted average number of equity shares (face value Rs.10 per share) for diluted EPS (lakh Nos.)	722	722
Diluted EPS (Rs.)	(66.32)	(24.68)

Notes to the Standalone Financial Statements

27. FINANCIAL RATIOS

Rs.Lakhs

S.No	Ratios	Particulars	Units	2022-23	2021-22	% Inc \ Dec	Reasons
1	Current Ratio	Current Assets / Current Liabilities	Times	1.00	1.00	0%	
2	Debt-Equity Ratio	Debt / Total Equity	Times	4.57	2.13	114%	Reduction in total equity due to loss
3	Debt Service Coverage Ratio	EBIDTA / (Interest+Principal)	Times	(0.68)	0.38	277%	Increase in loss
4	Return on Equity Ratio	PAT / Tangible Networth	%	-118.72%	-20.55%	-478%	Increase in loss
5	Inventory Turnover	Inventory / COGS * 360	No of Days	22	15	43%	Reduction in Turnover
6	Trade Receivables Turnover	Trade Receivables / Turnover * 360	No of Days	387	375	3%	
7	Trade Payables Turnover	Trade Payables / COGS * 360	No of Days	542	440	23%	Reduction in Turnover
8	Net Capital Turnover Ratio	Turnover / Total Equity	Times	2.00	1.38	44%	Reduction in total equity due to loss
9	Net Profit Ratio	PAT / Turnover	%	-59.37%	-14.84%	-300%	Increase in loss
10	Return on Capital Employed	PBT / Total Equity	%	-157.53%	-26.81%	-488%	Increase in loss
11	Return on Investment	Income from Investments / Investments	%	-	-	-	

28. CONSTRUCTION CONTRACTS

Rs.Lakhs

In respect of all construction contracts in progress at the end of the year :

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
The aggregate amount of costs incurred and recognized profits (less recognized losses) (including amounts carried forward from previous years)	1013432	1011427
The amount of advances received	124075	105700
The amount of retentions	114299	121641
The gross amount due from customers for contract work as an asset (unbilled revenue)	125920	117145
The gross amount due to customers for contract work as a liability (unearned revenue)	7800	8395

The contract value includes non cash consideration as per the requirement of Ind AS 115. The non cash consideration is valued based on the fair value \ input by the customer.

29. EMPLOYEE BENEFITS

Rs.Lakhs

As per Ind AS -19 " Employee Benefits", the disclosure of employee benefits are given below:

DEFINED CONTRIBUTION PLAN:

Particulars	2022-23	2021-22
Employer's contribution to Provident fund	238	247
Employer's contribution to pension scheme	139	144
Employer's contribution to employee's state insurance	9	5

Defined benefit plan and other long term employee benefits:

Gratuity plan

The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service. The same is payable on termination of service or retirement whichever is earlier. The benefit vests after five years of continuous service.

Reconciliation of opening and closing balances of the present value of the defined benefit obligation

Rs.Lakhs

Particulars	Leave encashment (unfunded)		Gratuity (funded)	
	As of March 31, 2023	As of March 31, 2022	As of March 31, 2023	As of March 31, 2022
Projected benefit obligation at the beginning of the year	340	358	1468	1468
Service cost	-	-	110	118
Interest cost	-	-	94	92
Remeasurement (gain)/loss	(29)	(18)	(48)	8
Benefits paid	-	-	(264)	(218)
Projected benefit obligation at the end of the year	311	340	1361	1468

Change in the fair value of the plan assets

Rs.Lakhs

Particulars	Gratuity (funded)	
	As of March 31, 2023	As of March 31, 2022
Fair value of the plan assets at the beginning of the year	235	314
Expected return on plan assets	13	18
Actuarial gain/(loss)	1	1
Employer contribution	152	120
Benefits paid	(264)	(218)
Fair value of plan assets at the end of the year	136	235
Actual return on plan asset	13	19

Notes to the Standalone Financial Statements

Amount recognised in the Balance sheet

Rs.Lakhs

Particulars	Leave encashment (unfunded)		Gratuity (funded)	
	As of March 31, 2023	As of March 31, 2022	As of March 31, 2023	As of March 31, 2022
Present value of projected benefit obligation at the end of the year	311	340	1361	1468
Fair alue of plan assets at the end of the year	-	-	136	235
Funded status amount of liability recognised in the Balance Sheet	311	340	1224	1233
Current Liability	100	109	326	334
Non Current Liability	211	231	898	899

Expense recognised in the Statement of Profit and Loss

Rs.Lakhs

Particulars	Leave encashment (unfunded)		Gratuity (funded)	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Service cost	-	-	110	118
Interest cost	-	-	94	92
Expected return on plan assets	-	-	(13)	(18)
Actuarial Gain / Loss due to Demographic Assumption changes in Defined Benefit Obligation	-	-	-	-
Actuarial Gain / Loss due to Financial Assumption changes in Defined Benefit Obligation	-	-	(17)	(15)
Actuarial Gain / Loss due to Experience on Defined Benefit Obligation	-	-	(31)	23
Return on Plan Assets (Greater) / Less than Discount Rate	-	-	(1)	(1)
Total cost recognised in P & L and OCI (Defined Benefit Cost)				
Cost recognised in P & L	-	-	192	192
Remeasurement Effect Recognised in OCI	-	-	(49)	7
Total defined Benefit Cost	-	-	143	199

Summary of actuarial assumptions

Rs.Lakhs

Particulars	Leave encashment (unfunded)		Gratuity (funded)	
	As of March 31, 2023	As of March 31, 2022	As of March 31, 2023	As of March 31, 2022
Mortality table (LIC)	(Indian assured Lives Mortality) 2006-08	(Indian assured Lives Mortality) 2006-08	(Ultimate) 2006-08	(Ultimate) 2006-08
Discount rate (per annum)	7.42%	7.07%	7.42%	7.07%
Expected rate of return on plan assets (per annum)	-	-	7.07%	7.07%
Rate of escalation in salary (per annum)	3.00%	3.00% F5Y & 3.00% TA	3.00%	3.00%
Attrition	10.00%	10.00%	10.00%	10.00%
Leave accounting & consumption technique	LIFO	LIFO	-	-
Proportion of Leave availment	5.00%	5.00%	-	-
Proportion of encashment in Servie / Lapse	-	-	-	-
Proportion of encashment on separation	95.00%	95.00%	-	-

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors. The discount rate has been chosen by reference to market yields on Government bonds. The above information is certified by an actuary.

The overall expected rate of return on assets is determined based on the market prices prevailing on the date applicable to the period over which the obligation is to be settled.

The expected cash flows over the next few years are as follows :

Rs.Lakhs

Year	Leave encashment (unfunded)	Gratuity (funded)
	Amount	Amount
1 year	38	208
2 to 5 years	83	368
6 to 10 years	54	251
More than 10 years	137	534

Notes to the Standalone Financial Statements

Plan asset : The Gratuity plan's weighted-average asset allocation at March 31, 2023 and March 31, 2022. **Rs.Lakhs**

Particulars	As of March 31, 2023	As of March 31, 2022
Funds managed by insurers	100%	100%

Sensitivity analysis of significant actuarial assumptions

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below

Particulars	Leave encashment	
	As of March 31, 2023	As of March 31, 2022
	% increase in Defined Benefit Obligation	
Discount rate + 100 basis points	-4.36%	-3.73%
Discount rate - 100 basis points	4.85%	4.10%
Salary growth rate + 100 basis points	4.74%	3.73%
Salary growth rate - 100 basis points	-4.32%	-3.45%
Attrition Rate + 100 basis points	0.89%	0.52%
Attrition Rate - 100 basis points	-0.99%	-0.59%
Mortality Rate 10% UP	0.02%	0.02%

Particulars	Gratuity	
	As of March 31, 2023	As of March 31, 2022
	% increase in Defined Benefit Obligation	
Discount rate + 100 basis points	-3.56%	-3.40%
Discount rate - 100 basis points	3.94%	3.77%
Salary growth rate + 100 basis points	4.01%	3.82%
Salary growth rate - 100 basis points	-3.67%	-3.49%
Attrition Rate + 100 basis points	0.81%	0.71%
Attrition Rate - 100 basis points	-0.88%	-0.77%
Mortality Rate 10% UP	0.03%	0.02%

While one of the parameters mentioned above is changed by 100 basis points, other parameters are kept unchanged for evaluating the defined benefit obligation. While there is no change in the method used for sensitivity analysis from previous period, the change in assumptions now considered are with reference to the current assumptions.

Notes to the Standalone Financial Statements

30. DEFERRED TAXES

Major components of deferred tax assets and liabilities are as under:

Rs.Lakhs

Particulars	Deferred tax asset as at March 31, 2023	Deferred tax liability as at March 31, 2023	Deferred tax asset as at March 31, 2022	Deferred tax liability as at March 31, 2022
Property, plant and equipment	-	61	-	167
Other Intangibles	32	-	28	-
ECL on Trade Receivables	734	-	820	-
Provisions	337	-	326	-
Customer Retention	-	24944	-	26711
EC on Contract Asset	1209	-	1202	-
Carry forward tax loss	30237	-	16368	-
Lease Liability (net)	-	7	-	-
Sub Total	32549	25012	18744	26878
Net	7537			8134

INCOME TAX RECONCILIATION

Rs.Lakhs

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Profit/(Loss) before Tax	(63519)	(23641)
Enacted Tax Rates in India	25.17%	25.17%
Computed expected Tax expense	(15988)	(5950)
Tax Effects of amounts which are not deductible (taxable) in calculating taxable income	(15988)	(5950)
Tax Effects of amounts which are deductible in calculating taxable income	-	-
Tax Reversals	-	-
Current Tax Expense	-	-

The applicable Indian statutory tax rate for fiscal year 2023 is 25.17% and fiscal year 2022 is 25.17%.

Notes to the Standalone Financial Statements

31. FINANCIAL INSTRUMENTS

The Carrying Value and Fair Value of Financial Instruments as of March 31, 2023 were as follows Rs.Lakhs

Particulars	Financial Assets carried at Amortised Cost	Financial Assets carried at FVTPL	Financial Assets carried at FVTOCI	Total Carrying Value	Total Fair Value
ASSETS					
Cash & Cash Equivalents	219			219	219
Bank balance other than above	28035			28035	28035
Investments:					
Equity Securities and others			40	13	40
Liquid mutual fund units			86	30	86
Trade Receivables	86723			86723	86723
Loans and advances	41880	-		44091	41880
Other Financial Assets	5542			5542	5542
Total	162399	-	126	164653	162525
LIABILITIES					
Borrowings	184140			184140	184140
Other Financial Liabilities	134174			134174	134174
Lease Liabilities	323			323	323
Trade Payables	105143			105143	105143
Total	423780	-	-	423780	423780

The Carrying Value and Fair Value of Financial Instruments as of March 31, 2022 were as follows Rs.Lakhs

Particulars	Financial Assets carried at Amortised Cost	Financial Assets carried at FVTPL	Financial Assets carried at FVTOCI	Total Carrying Value	Total Fair Value
ASSETS					
Cash & Cash Equivalents	576			576	576
Bank balance other than above	25335			25335	25335
Investments:					
Equity Securities and others			22	13	22
Liquid mutual fund units			79	30	79
Trade Receivables	127100			127100	127100
Loans and advances	45538	1094		46792	46632
Other Financial Assets	9025			9025	9025
Total	207574	1094	101	208871	208769
LIABILITIES					
Borrowings	187846			187846	187846
Other Financial Liabilities	109253			109253	109253
Lease Liabilities	3			3	3
Trade Payables	110466			110466	110466
Total	407568	-	-	407568	407568

32. FAIR VALUE HIERARCHY

The following table shows the levels in the fair value hierarchy :

Fair Value Measurement at the end of the reporting period	As at Mar 31, 2023	As at Mar 31, 2022
ASSETS		
Investments		
Mutual Fund Investments	Level 1	Level 1
Equity Instruments	Level 1	Level 1

Fair value of mutual fund and equity investments is based on quoted price.

The Management has assessed the fair value of trade receivables, trade payables, cash & cash equivalents, bank balances, bank deposits, loans and advances, bank borrowings, lease liabilities and other financial assets and liabilities approximate their carrying amounts.

33. RISK MANAGEMENT STRATEGIES

Financial risk management:

The Company's activities exposed to market risk, credit risk and liquidity risk. The company's senior management oversees the management of these risks.

Market risk

Market risk is the risk of loss of future earnings or fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables. The company is exposed to market risk primarily related to foreign exchange rate risk (currency risk), interest rate risk and the market value of its investments. Thus the Company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

Foreign currency risk

The Company has entered into various contracts in several currencies and consequently the Company is exposed to foreign exchange risk through its sales, services and purchases from suppliers in various foreign currencies. The Company holds derivative financial instruments such as foreign exchange forward contract to mitigate the risk of changes in exchange rates on foreign currency exposures. The exchange rate between the rupee and foreign currencies has changed substantially in recent years. The fluctuations in exchange rate may have an impact on Company's operations.

Foreign currency sensitivity

a. Particulars of unhedged foreign currency exposure are as under :

Rs. in lakhs / Foreign currency in lakhs

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Assets (Trade receivables / advance to suppliers / bank balances)		
In foreign currency		
In USD	113.26	362.35
In EURO	193.05	190.91
In GBP	0.01	0.01

Notes to the Standalone Financial Statements

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
In JPY	55.10	2.35
In AED	0.41	0.17
In CHF	0.04	0.04
In SAR	-	0.17
In Indian currency		
In USD	9,370.92	27,658.21
In EURO	17,542.30	16,372.14
In GBP	0.58	0.57
In JPY	34.51	1.48
In AED	9.34	3.61
In CHF	3.70	3.37
In SAR	-	3.46
Liabilities (Advance from customers/trade payables/buyers credit)		
In foreign currency		
In USD	91.56	70.48
In EURO	145.07	163.50
In GBP	0.28	0.24
In Indian currency		
In USD	7,575.97	5,379.44
In EURO	13,182.11	14,021.64
In GBP	28.52	23.88

An appreciation / depreciation of 0.50 percentage points in exchange rate between the INR and USD, the operating margins at the reporting date (31.03.2023) would have increased / (decreased) equity and profit by Rs.47 Lakhs (Rs.138 Lakhs)

The Sensitivity analysis is computed based on the change in the income and expenses in the foreign currency upon conversion into functional currency, due to exchange rate fluctuations between the previous reporting and the current reporting period

Notes to the Standalone Financial Statements

b. Particulars of derivative contracts entered into for hedging purpose outstanding are as under:

Rs. in lakhs / Foreign currency in lakhs

Particulars	As at Mar 31,2023		As at Mar 31,2022	
	Forex Working Capital Demand Loans	Trade payables	Forex Working Capital Demand Loans	Trade payables
Number of contracts	-	-	10	-
Value in foreign currency				
USD	-	-	567.36	-
EURO	-	-	-	-
Value in INR	-	-	43,307	-

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates to the Company's long-term debt obligations with floating interest rates.

As at the reporting date the Company's interest – bearing financial instruments were as follows:

Rs.Lakhs

Particulars	Carrying amount	
	Mar 31, 2023	Mar 31, 2022
Fixed rate instruments		
Financial assets		
Fixed deposits with banks	32852	33272
Financial liabilities		
Unsecured Loan from related parties	23107	-
Advance from Customers	124075	105700
Variable rate instruments		
Financial liabilities		
Borrowings from banks	-	-
Working Capital Loans	161033	187846

Interest rate sensitivity

Fair value sensitivity for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the company does not designate derivatives (interest rate swaps) as hedging instruments under a fair value hedge accounting model. Therefore a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity for variable rate instruments

An decrease / increase of 50 basis points in interest rates at the reporting date (31.03.2023) would have increased / (decreased) equity and profit by Rs.872 Lakhs

Notes to the Standalone Financial Statements

Commodity price risk

The Company is affected by the price volatility of certain commodities. Its operating activities require the ongoing purchase of Steel, Cement and other materials. Due to the significantly increased volatility of the price of the raw material, the Company also entered into various purchase contracts for supply of Steel, Cement & other material. The Company has escalation clause in some of their client contracts for variation in the price of commodities.

Equity price risk

The Company's listed securities are susceptible to market price risk arising from uncertainties about future value of the investment securities.

At the reporting date, the exposure to listed securities at fair value was Rs.126 lakhs (Rs.101 lakhs). An increase / decrease of 10% on the BSE Market Index could have an impact of approximately Rs.12.60 lakhs (Rs. 10.10 lakhs) on the OCI or equity attributable to the Group.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

Trade receivables

Outstanding customer receivables are regularly monitored and any major export shipments to customers are generally covered by letters of credit. The maximum exposure to the credit risk at reporting date is primarily from trade receivables amounting to Rs.86723 Lakhs

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is limited as the Company generally invests in banks and financial institutions with high credit ratings. Other financial instruments includes primarily investment in fixed deposits.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank borrowings.

The following are the contractual maturities of financial liabilities.

Rs.Lakhs

Particulars	Upto 12 months	More than 12 months
Trade payables	95280	9863
Borrowings	161033	23107
Advance from Customers	124075	105700
Other financial liabilities	10099	-
Lease Liabilities	84	239

Collateral risk

The Company has pledged its short-term deposits of Rs. 32692 lakhs to fulfil the security requirements for the contractual obligations. As at 31 March, 2023, 31 March, 2022 the fair values of the short-term deposits pledged were Rs. 32692 lakhs and Rs. 33047 lakhs respectively.

Notes to the Standalone Financial Statements

34. LEASES

The changes in carrying value ROU assets and Lease liabilities for the year ended March 31, 2023 are as follows:

Rs. Lakhs

Particulars	ROU Assets As at Mar 31,2023	Lease Liabilities As at Mar 31,2023	ROU Assets As at Mar 31,2022	Lease Liabilities As at Mar 31,2022
Opening balance	3	3	388	434
Add : Additions during the year	387	387	-	-
Add : Interest cost during the year	-	18	-	51
Less : Deletions during the year	-	-	-	-
Less : Depreciation during the year	41	-	385	-
Less : Payment of Lease Liabilities	-	84	-	482
Closing Balance	349	323	3	3

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the ROU asset, and finance cost for interest accrued on lease liability.

The lease agreements for the Company's Corporate office measuring 96,300 SFT has expired at the starting of the financial year. However the Company continues to use the said premises during the current financial year. Accordingly the said lease rentals are treated as short term leases till renewal of existing lease\entering in to new lease agreements.

Lease payments of Rs. 644 lakhs (Rs. 479 lakhs) relating to leases with a term of 12 months or less and low value leases are charged to statement of profit and loss

35. SEGMENT INFORMATION

Rs.Lakhs

Primary segment information (business segments)

S. No	Particulars	2022-23				2021-22			
		Capital goods segment	Construction and EPC contracts segment	Inter Segment eliminations	Total	Capital goods segment	Construction and EPC contracts segment	Inter Segment eliminations	Total
a)	Revenue (net)	19364	61263	-	80627	19108	102962	-	122070
b)	Inter Segment sales	-	236	(236)	-	67	285	(352)	-
	Total Revenue	19364	61499	(236)	80627	19175	103247	(352)	122070
c)	Result	1178	(25239)	-	(24061)	(185)	11593	-	11408
	Add: Unallocated income (net of expenditure)				484				814
	Profit before interest and tax	1178	(24755)	-	(23577)	(185)	12407	-	12222
	Interest	710	39232	-	39942	422	35441	-	35863

Notes to the Standalone Financial Statements

S. No	Particulars	2022-23				2021-22			
		Capital goods segment	Construction and EPC contracts segment	Inter Segment eliminations	Total	Capital goods segment	Construction and EPC contracts segment	Inter Segment eliminations	Total
	Profit before tax	468	(63987)	-	(63519)	(607)	(23034)	-	(23641)
	Tax expenses								
	- Current tax				-				-
	- Deferred tax				(15665)				(5834)
	- Tax - Earlier years				-				-
	- Total				(15665)				(5834)
	Profit for the year				(47854)				(17807)
d)	Assets	16667	423358	-	440025	26283	458797	-	485080
	Add: Unallocated corporate assets				48118				43002
	Total assets				488143				528082
e)	Liabilities	3236	421478	-	424714	9084	422669	-	431753
	Add: Unallocated corporate liabilities				23107				8134
	Total liabilities				447821				439887

Revenue of approximately INR Rs. 27379 lakhs (31.03.2022 - INR Rs.56166 lakhs) are derived from three external customers.

These revenues are attributed to the Construction and EPC contracts segment.

Reconciliations to amounts reflected in the financial statements

Reconciliation of profit	31-Mar-23	31-Mar-22
Segment profit	(24,061)	11,408
Dividend Income	1	-
Net gain on disposal of property, plant and equipment	-	223
Net gain on sale of investment	-	-
Interest Income	-	-
Interest Income - Tax Refund	483	591
Profit before interest and tax	(23,577)	12,222

Reconciliation of assets	31-Mar-23	31-Mar-22
Segment operating assets	4,40,025	4,85,080
Investments	36,019	35,994
Deferred tax assets (net)	7,537	-
TDS receivable	4,562	7,008
Total assets	4,88,143	5,28,082

Reconciliation of liabilities	31-Mar-23	31-Mar-22
Segment operating liabilities	4,24,714	4,31,753
Non Current Borrowings	23,107	-
Deferred tax liabilities (net)	-	8,134
Total liabilities	4,47,821	4,39,887

Secondary segment information (geographic segments)

Particulars	Domestic		Overseas		Total	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
External revenue by location of Customers	78,261	1,18,709	2,366	3,361	80,627	1,22,070
Carrying amount of segment non current assets by location of assets	76,747	1,08,871	-	-	76,747	1,08,871

36. CONTINGENT LIABILITIES AND COMMITMENTS

Rs.Lakhs

Particulars	As at Mar 31,2023	As at Mar 31,2022
Contingent liabilities		
Claims against the company not acknowledged as debt		
a) On account of Sales tax *	33567	24437
b) On account of Income-tax *	3594	2981
c) On account of Service tax *	36668	36668
d) On account of Provident fund	521	521
e) Others * #	35184	
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account (net of advances)	193	181

* Excludes interest, penalty and self assessment tax paid.

Others includes cases filed against the company in MSME council, NCLT and other legal forums

37. RELATED PARTY TRANSACTIONS

Ultimate Holding Company

- BGR Investment Holdings Company Limited

Subsidiary Companies

- BGR Boilers Private Limited
- BGR Turbines Company Private Limited
- Sravanaa Properties Limited

Joint Venture

1. Mecon-Gea Energy System (India) Ltd (JV)

Fellow Subsidiaries / Enterprises where significant influence exists and enterprises where key management personnel have significant influence

1. Accord Foundations Private Limited
2. Agro Raiment LLP
3. Ani Constructions Private Limited
4. Arjun Govin Estate Private Limited
5. BGR Aquaatech India Limited
6. BGR Eneritech Sdn. BHD.
7. BGR Estate Holdings Limited
8. BGR Neo Limited
9. BGR Odisha Powergen Limited
10. BGR Power Limited
11. BGR Tech Limited
12. Bown Granites Company Private Limited
13. Cuddalore Powergen Corporation Limited
14. Enexio Power Cooling Solutions India Private Limited
15. Frozen Tropicals Private Limited
16. Gea BGR Energy System India Limited
17. Jayachelve Financing And Leasing Private Limited
18. Mega Funds India Limited
19. Menmai Estate Private Limited
20. Nannilam Property Private Limited
21. Pentaleo Gourments Limited Liability Partnership
22. Pentaleo Property Limited Liability Partnership
23. Pragati Computers Limited
24. Priya Estate Developers Limited
25. Progen Systems And Technologies Limited
26. Risio Care Private Limited
27. Sasikala Estate Private Limited
28. Schmitz India Private Limited
29. Schmitz Reinigungskugelm GmbH
30. Swadhika Foods LLP
31. Vaani Estate Developers Limited
32. Vaani Estates Private Limited

Key Managerial Personnel

1. Mr.Arjun Govind Raghupathy,Managing Director
2. Mrs.Swarnamugi Karthik,Director-Corporate Strategy (Resigned w.e.f 04.08.2022)
3. Mr.R.Rameshkumar, Director-(Governance & Legal), Company Secretary & Chief Compliance Officer (Resigned w.e.f 02.01.2023)
4. Mr.P.R.Easwar Kumar,President & Chief Financial Officer

Non Executive Directors

Mrs. Sasikala Raghupathy, Chairperson

Mr.Bohra S A, Independent Director

Mrs.Janaki C Ambat, Independent Director (Resigned w.e.f 06.01.2023)

Mr.Gopalakrishna M, Independent Director

Mr.Tagat S R, Independent Director

Mr.Gnana Rajasekaran, Independent Director

Relatives of Key Managerial Personnel

1. Mrs. Sasikala Raghupathy (Mother of Ms. Swarnamugi Karthik and Mr.Arjun Govind Raghupathy)
2. Mrs. Priyadarshini Raghupathy (Sister of Ms. Swarnamugi Karthik and Mr.Arjun Govind Raghupathy)
3. Mrs. Vaani Raghupathy (Sister of Ms. Swarnamugi Karthik and Mr.Arjun Govind Raghupathy)

Notes to the Standalone Financial Statements

(information provided in respect of revenue items for the year ended Mar 31, 2023 and in respect of assets / liabilities as at Mar 31, 2023)

Rs.Lakhs

Particulars	Ultimate Holding Company	Subsidiary Companies	Related parties where significant influence exists and where key management personnel have significant influence	Key Management Personnel	Relatives of Key Management Personnel	Non Executive Directors	2022-23	2021-22
Sales	-	-	1,882	-	-	-	1,882	1,361
Purchases	-	2,365	178	-	-	-	2,543	1,857
Remuneration								
a) Short Term Employee Benefits	-	-	-	292	43	-	335	331
Rent expenses	-	18	107	-	-	-	125	290
Others	-	-	-	-	25	-	25	25
Director's Sitting Fees	-	-	-	-	-	25	25	27
Other Obligations	-	-	-	-	-	-	-	-
Loans & Advances								
- Loan availed	3,107	-	20,000	-	-	-	23,107	-
- Loan repaid	-	-	-	-	-	-	-	-
Interest on Loan	24	-	1,204	-	-	-	1,228	-
Balances outstanding	(3,131)	(13,063)	(240)	(20,464)	(112)	(11)	(37,021)	(11,633)

38. IMPAIRMENT OF ASSETS

a. Cash generating units :

There is no impairment loss in cash generating units and hence no provision was made in the financial statements.

b. Other assets :

The Company has recognised impairment loss of Rs. Nil (Rs. 312 Lakhs) in the books of accounts towards impairment of Buildings subsequent to closure of Lease period.

39. REGISTRATION OF CHARGES OR SATISFACTION YET TO BE REGISTERED WITH REGISTRAR OF COMPANIES (ROC)

Satisfaction of Charge pending beyond the statutory period

S.No	Charge Holder Name	Rs.Lakhs	Reasons
1	STATE BANK OF INDIA	4,420	Pending NOC from Charge holder
2	AXIS BANK LIMITED	635	Pending NOC from Charge holder
3	ABN AMRO BANK	189	Pending NOC from Charge holder
4	HDFC BANK LIMITED	126	Pending NOC from Charge holder
5	ICICI BANK LIMITED	114	Pending NOC from Charge holder
	TOTAL	5,484	

40. RELATIONSHIP WITH STRUCK OFF COMPANIES

The Company has no transactions \ outstanding balances as on 31.03.2023 with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

41. The project specific working capital limits outstanding as of 31.12.2022 availed from Punjab National Bank was classified as substandard by the bank. The outstanding were repaid in full and the account was upgraded as standard by the bank as of 31.03.2023.

42. During Mar-2023, Chattisgarh State Power Generation Co Ltd (CSPGCL) (Marwa Project) demanded encashment of two BGs totalling to Rs.16337 Lakhs. The Company obtained stay on encashment of bank guarantee from the Honourable Chattisgarh High Court. The said amount is included in Contingent Liability as on 31.03.2023.

43. PROVISIONS

a) The company has made a provision / transfer of Rs.91 lakhs, (Rs.132 lakhs) towards warranty and contractual obligations on the products supplied / contracts executed by the company during the year. The expenses on account of provision for warranty is grouped under other expenses.

Notes to the Standalone Financial Statements

b) Movement in provisions

Rs.Lakhs

Particulars	Provision for Warranty	Provision for Contractual Obligations	Provision for Warranty	Provision for Contractual Obligations
	2022-23	2022-23	2021-22	2021-22
Opening balance	2368	1300	2249	1300
Add : Addition / transfers	91	0	132	-
Less : (a) Provision utilised	-	-	-	-
(b) Provision reversed	(13)	-	(13)	-
Closing balance	2446	1300	2368	1300

44. PREVIOUS YEAR FIGURES

Figures of previous year have been regrouped / rearranged, wherever required to conform to the current year presentation.

For and on behalf of Board of Directors

SASIKALA RAGHUPATHY
Chairperson
DIN : 00490686

S.R.TAGAT
Independent Director
DIN : 01632756

P.R.EASWAR KUMAR
President & Chief Financial Officer

ARJUN GOVIND RAGHUPATHY
Managing Director
DIN : 02700864

GNANA RAJASEKARAN
Independent Director
DIN : 03194244

S KRISHNA KUMAR
President & Company Secretary

As per our report of even date
For Anand & Ponnappan
Chartered Accountants
Firm Registration No. : 000111S

R PONNAPPAN
Partner
Membership No.021695

Chennai
May 30,2023

Independent Auditors' Report

INDEPENDENT AUDITORS' REPORT

To

The Members of BGR Energy Systems Limited
Report on Audit of the Consolidated Financial Statements

QUALIFIED OPINION

We have audited the accompanying Consolidated financial statements of **BGR Energy Systems Limited** (referred to as the "**Holding Company**") and its subsidiaries (Holding Company and its subsidiaries and joint venture together referred as "**Group**") which comprises the Consolidated Balance Sheet as at March 31,2023, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Statement of Cash Flows, and Consolidated Statement of changes in Equity for the year then ended, and notes to the consolidated 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, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid consolidated financial statements give the information, 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 Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31,2023, the consolidated loss including other comprehensive income, consolidated changes in equity and its consolidated cashflows for the year ended on that date.

BASIS FOR QUALIFIED OPINION

Un-Audited of Financial Statements of Subsidiary:

Attention is drawn to Note No.40 to the Consolidated Financial Statements, wherein the financial statements include unaudited financial statements and other financial information of subsidiary, namely, BGR Boilers Private Limited for the financial year ended 31st March,2022 & 2023. These unaudited financial statements as approved by Board of Directors of the subsidiary company have been furnished to us by the Management of the Holding Company and our report in so far as it relates to the amounts included in respect of this subsidiary are based solely on such unaudited financial statements. we are unable to comment on adjustments that may have been required to

the accompanying consolidated financial statements had such unaudited financial statements been audited.

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

KEY AUDIT MATTERS:

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the year ended March 31,2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, we do not provide a separate opinion on these matters. We have determined the matters of the group described below to be the key audit matters to be communicated in our report.

1. Revenue Recognition in case of Construction Contracts:

The Holding Company recognises revenue in case of Revenue from Construction Contracts on the basis of stage of completion based on the proportion of contract costs incurred, relating to the total costs of the contract at completion. Thus, the recognition of revenue is based on estimates in relation to total estimated costs of each contract and cost incurred. There are significant accounting judgments which include estimates of cost of completion of the Contract, the stages of completion and timing of revenue recognition.

Estimates also takes into account various contingencies in the contracts & uncertain risks, disputed claims against the Holding company relating to different contract which are reviewed by the management on a regular basis over the contract life and adjusted appropriately.

The revenue on contracts may also include variable consideration (variations and claims). Variable

consideration is recognised when the recovery of such consideration is probable.

As revenue recognition involves aforesaid significant judgement and estimation, we therefore determined this to be a key audit matter.

Our principal audit procedures included but were not limited to:

- ❖ We assessed the appropriateness of the Company's revenue recognition policies, including those related to variable considerations by comparing with applicable accounting standards;
- ❖ We tested the effectiveness of controls relating to the evaluation of performance obligations and identification of those that are distinct; estimation of costs to complete each of the performance obligations including the contingencies in respect thereof, as work progresses and the impact thereon as a consequence of change orders; the impact of change orders on the transaction price of the related contracts; and evaluation of the impact of variable consideration on the transaction price.
- ❖ We selected a sample of contracts with customers and performed the following procedures:
 - o Obtained and read contract documents for each selection, change orders and other documents that were part of the agreement/arrangement.
 - o Identified significant terms and deliverables in the contract to assess management's conclusions regarding the (i) identification of distinct performance obligations; (ii) changes to costs to complete as work progresses and as a consequence of change orders; (iii) the impact of change orders on the transaction price; and (iv) the evaluation of the adjustment to the transaction price on account of variable consideration.
 - o Compared costs incurred with Company's estimates of costs incurred to date to identify significant variations and evaluated whether those variations have been considered appropriately in estimating the remaining costs to complete the contract.
 - o Tested the estimate for consistency with the status of delivery of milestones and customer acceptance to identify possible delays in achieving milestones, which require changes

in estimated costs or efforts to complete the remaining performance obligation

- ❖ Performed analytical audit procedures for reasonableness of revenues disclosed by type and nature of service.
- ❖ Assessed appropriateness of the relevant disclosures made by the company in accordance with Ind AS 115.

We concluded that based on the procedures performed above, we did not find any material exceptions with regards to adoption of Ind AS 115 and timing of revenue recognition.

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S 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 Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Consolidated financial statements and our auditor's report thereon.

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 on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

As on the date of this report, the other information was not made available to us by the management. Accordingly, we are unable to comment on this matter.

RESPONSIBILITY 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 Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group'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 Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies in the Group are also responsible for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- a. 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.
- b. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d. 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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- e. 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.

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 Consolidated financial statements may be influenced. We consider

Independent Auditors' Report

quantitative materiality and qualitative factors as 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 Consolidated financial statements.

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

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

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 of the current period and are therefore the key audit matters. We describe these matters in our auditor's 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 MATTER

1. The Consolidated Financial Statements of the Group for the year ended 31st March,2022 and 31st March 2021 includes the unaudited financial information of the subsidiaries, namely 'BGR Boilers Private Limited' for the year ended 31st March,2020, 31st March,2021 and 31st March,2022 and 'BGR Turbines Company Private Limited' for the year ended 31st March,2021 and 31st March,2022 respectively.

The said Consolidated Financial Statements are audited by the predecessor auditors of the Group and expressed an unmodified opinion for the year ended 31st March,2022 and 31st March,2021 vide their report dated 27th May,2022 and 30th June,2021 thereon.

During the year, the financial statements 'BGR Boilers Private Limited' for the financial year ended 31st March,2020 and 31st March 2021 and for the 'BGR Turbines Company Private Limited' for the financial year ended 31st March,2021 and 31st March,2022 were duly audited by the respective auditors of the company.

Accordingly, the comparative financial information of the Group for the year ended 31st March,2022 and opening balance sheet as at 1st April,2021 included in these Consolidated financial statements are incorporated with the audited figures of the said subsidiaries.

2. We have relied on the unaudited financial statements of subsidiaries, namely, 'M/s Sravanaa Properties Limited', 'M/s BGR Boilers Private Limited' and 'M/s BGR Turbines Company Private Limited', whose standalone financial statements reflects total assets of Rs. 93,642.41 lakhs (PY-Rs. 91,763.80 lakhs) as at March 31,2023, total income of Rs. 267.75 lakhs (PY- Rs. 580.29 lakhs) and the net cashflows of Rs. (68.30) lakhs (PY- Rs. (727.14) lakhs) for the year ended on that date, as considered in the consolidated financial statements.

We also relied on the unaudited the financial statements of the unincorporated joint venture, namely, 'Mecon –GEA Energy System (India) Limited (JV)' whose financial statements reflect total assets of Rs.247.21 lakhs (PY-Rs. 454.99 lakhs) as at 31st March-2023, total loss of Rs. 0.21 lakhs (PY-Rs. 0.21 lakhs) for the year ended.

These unaudited financial statements are taken on record by the Board of directors of the respective subsidiary companies/Joint Ventures, have been furnished to us by the Company and our report in so far as it relates to the amounts included in respect of these subsidiaries are based solely on such unaudited financial statements.

Our opinion on the consolidated financial statements, and our report on the "Other Legal and Regulatory Requirements" below, is not modified in respect of the above matters with respect to our reliance on the financial information certified by the Management.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure-A", a statement on the matters specified in paragraphs 3 (xxi) of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditors on the separate financial statements and other information of the subsidiaries referred to in the "Other Matters" section above, 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 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, returns and the reports of the other auditors.
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2016 as amended from time to time.
- e. On the basis of the written representations received from the directors of the Company as on March 31, 2023 taken on record by the Board of Directors of the Company 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, 2023 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 Group and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**”. Our report expresses an **unmodified opinion** on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- g. The matters described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;
- h. The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above;
- i. With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company and its subsidiaries to its directors during the year is in accordance with the provisions of section 197 of the Act.
- j. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group; (*Refer Note No. 33 to the Consolidated Financial Statements*)
 - ii. The Group Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Group;
 - iv. a. The respective Managements of the Holding Company and its subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest

- in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries and joint ventures ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- b. The respective Managements of the Holding Company and its subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or any of such subsidiaries or joint venture from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- c. Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us and those performed by the auditors of the subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.
- v. In lieu of carried over previous years' and current year losses, neither the Holding company nor the Subsidiaries and Joint Ventures has not declared and/or paid any dividend during the year in accordance with Sec.123 of the Companies Act, 2013;

**For Anand and Ponnappan
Chartered Accountants
FRN000111S**

**R. Ponnappan
Partner**

**Place: Chennai
Date: 30.05.2023**

**Membership No : 021695
UDIN: 23021695BGUOPU4977**

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" Section of our Report of even date.

As required by paragraph 3(xxi) of the CARO 2020, Except for the effects of matters described in Basis of Qualified Opinion paragraph, we report that the auditors of the following companies, where qualification or adverse remarks in their CARO report on the standalone financial statements of the respective companies included in the Consolidated Financial Statements of the Holding Company:

S.No	Name of the Company	CIN	Relation	Date of Auditor's Report	Paragraph number in the respective CARO reports
1.	BGR Energy Systems Limited	L40106AP1985PLC005318	Holding Company	30 th May,2023	i(c)
2.	Sravanaa Properties Limited	U70200TN2002PLC049497	Subsidiary	Unaudited	
3.	BGR Boilers Private Limited	U74200TN2009PTC070539	Subsidiary		
4.	BGR Turbines Company Private Limited	U40300TN2009PTC070541	Subsidiary		

**For Anand and Ponnappan
Chartered Accountants
FRN000111S**

**R. Ponnappan
Partner**

**Membership No : 021695
UDIN: 23021695BGUOPU4977**

**Place: Chennai
Date: 30.05.2023**

ANNEXURE – B TO THE AUDITORS' REPORT

Referred to in Paragraph 2(f) under “Report on Other Legal and Regulatory Requirements’ section of our report to the Members of the Company of even dated.

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

We have audited the Internal Financials Controls over Financial Reporting of BGR Energy Systems Limited (referred to as the “**Holding Company**”) and its subsidiary companies and joint ventures, which are incorporated in India for the year ended March 31,2023, in conjunction with our audit of the Consolidated Financial Statements of the company.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the holding company's, its subsidiaries and joint venture's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain

reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone 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:

- a. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- b. provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone 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
- c. 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 standalone financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, the Holding company, its subsidiaries and joint venture has in all material respects, maintains adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, 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.

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 in so far as it relates to the subsidiary companies incorporated in India is based on the corresponding reports of the auditors of the subsidiary companies incorporated in India except in case of Sravanaa Properties Limited, BGR Boilers Private Limited and BGR Turbines Company Private Limited, wherein the financial statements are yet to be audited by the respective auditors appointed. Accordingly, we relied on the information and representation made by the respective companies Board of Directors and Holding Company's Board of Directors.

Our opinion is not modified in respect of this matter.

**For Anand and Ponnappan
Chartered Accountants
FRN000111S**

**R. Ponnappan
Partner**

**Place: Chennai
Date: 30.05.2023**

**Membership No : 021695
UDIN: 23021695BGUOPU4977**

Consolidated Balance Sheet as at 31.03.2023

Rs.Lakhs

Particulars	Note No.	As at Mar 31, 2023	As at Mar 31, 2022	As at Apr 1, 2021
ASSETS				
I Non Current Assets				
(a) Property, plant and equipment	1	32115	33450	36763
(b) Investment Property		252	-	-
(c) Other Intangible assets		-	60	184
(d) Goodwill	2	59	59	59
(e) Financial assets				
(i) Investments	3 (a)	126	101	78
(ii) Trade receivables	3 (b)	19051	54091	53203
(iii) Loans	3 (c)	3460	3704	6618
(iv) Other financial assets	3 (d)	4766	8003	11832
(f) Deferred tax assets (net)		7537	-	-
		67366	99468	108737
II Current Assets				
(a) Inventories	4	4238	3852	4711
(b) Financial assets				
(i) Trade receivables	5 (a)	67672	73009	80759
(ii) Cash and cash equivalents	5 (b)	1618	2043	5540
(iii) Bank balance other than (ii) above	5 (b)	28035	25335	29841
(iv) Loans	5 (c)	40971	45459	43774
(v) Other financial assets	5 (d)	778	1024	637
(c) Other current assets	6	284866	285821	264554
		428178	436543	429816
		495544	536011	538553
TOTAL ASSETS				
EQUITY AND LIABILITIES				
I Equity				
(a) Equity Share Capital	7	7216	7216	7216
(b) Other Equity		1972	50491	69105
Equity attributable to owners of BGR Energy Systems Limited		9188	57707	76321
II Non-Controlling Interest		(4280)	(4001)	(3791)
Total Equity		4908	53706	72530
III Liabilities				
Non Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	8 (a)	23107	-	-
(ii) Lease Liabilities	8 (b)	239	-	3
(iii) Trade payables		-	-	-
Total Outstanding dues of micro enterprises and small enterprises		-	-	-
Total Outstanding dues of creditors other than micro enterprises and small enterprises	8 (c)	9863	9420	10906
(b) Provisions	9	14022	13985	15010
(c) Deferred tax liabilities (net)	27	-	8134	13968
		47231	31539	39887
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	8 (a)	161033	187846	193825
(ii) Lease Liabilities	8 (b)	84	3	431
(iii) Trade payables	8 (c)	-	-	-
Total Outstanding dues of micro enterprises and small enterprises		14376	12551	13478
Total Outstanding dues of creditors other than micro enterprises and small enterprises		101378	72766	114347
(iv) Other financial liabilities	10	134174	109253	68600
(b) Other Current Liabilities	11	31676	67644	34549
(c) Provisions	12	684	702	660
(d) Current tax liabilities (net)		-	1	246
		443405	450766	426136
Total Liabilities		490636	482305	466023
TOTAL EQUITY AND LIABILITIES		495544	536011	538553
Corporate overview & Significant accounting policies	1.1			
Notes to the Consolidated Financial Statements	1-44			
The accompanying notes are integral part of these Consolidated Financial Statements				

For and on behalf of Board of Directors

As per our report of even date
For Anand & Ponnappan
Chartered Accountants
Firm Registration No. : 000111S

SASIKALA RAGHUPATHY
Chairperson
DIN : 00490686

ARJUN GOVIND RAGHUPATHY
Managing Director
DIN : 02700864

R PONNAPPAN
Partner
Membership No.021695

S.R.TAGAT
Independent Director
DIN : 01632756

GNANA RAJASEKARAN
Independent Director
DIN : 03194244

P.R.EASWAR KUMAR
President & Chief Financial Officer

S KRISHNA KUMAR
President & Company Secretary

Chennai
May 30,2023

Consolidated Statement of Profit and Loss for the year ended 31.03.2023

Rs. Lakhs

Particulars	Note No.	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
I Revenue from operations	13	80627	122070
II Other income	14	5038	1286
III Total Income (I + II)		85665	123356
IV Expenses			
(a) Cost of raw materials and components consumed	15	56085	76084
(b) Cost of manufacturing and construction	16	12333	13399
(c) Other direct costs	17	1471	954
(d) Changes in inventories of work in progress		118	(99)
(e) Employee benefits expenses	18	12812	13561
(f) Finance costs	19	39942	35863
(g) Depreciation and amortization expenses	20	1675	2736
(h) Other expenses	21	25673	5133
Total expenses (IV)		150109	147631
V Profit/(Loss) before exceptional items and tax (III-IV)		(64444)	(24275)
VI Exceptional items		-	-
VII Profit/(Loss) before tax (V)+(VI)		(64444)	(24275)
VIII Tax expenses			
(i) Current tax		1	2
(ii) Deferred tax		(15665)	(5834)
(iii) Tax - Earlier years		-	73
IX Profit/(Loss) for the year (VII)-(VIII)		(48780)	(18516)
X Other Comprehensive Income	23		
(i) items that will not be reclassified to profit or loss		(18)	(2)
(ii) items that will be reclassified to profit or loss		-	(306)
XI Total Comprehensive Income for the year (IX+X) (Comprising Profit and other Comprehensive Income for the year)		(48798)	(18824)
Profit or Loss attributable to:			
Owners of BGR Energy Systems Ltd		(48501)	(18306)
Non Controlling Interests		(279)	(210)
		(48780)	(18516)
Total Comprehensive Income attributable to:			
Owners of BGR Energy Systems Ltd		(48519)	(18614)
Non Controlling Interests		(279)	(210)
		(48798)	(18824)
XII Earnings per Equity Share (for Continuing Operation):	24		
1. Basic		(67.21)	(25.37)
2. Diluted		(67.21)	(25.37)
Corporate overview & Significant accounting policies	1.1		
Notes to the Consolidated Financial Statements	1-44		
The accompanying notes are integral part of these Consolidated Financial Statements			

For and on behalf of Board of Directors

As per our report of even date
For Anand & Ponnappan
Chartered Accountants
Firm Registration No. : 000111S

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President & Company Secretary

Chennai
May 30,2023

Consolidated Statement of Cash Flows for the year ended 31.03.2023

Rs. Lakhs

Particulars		For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Net profit before tax	(64444)	(24275)
	Adjustments for :		
	Depreciation and amortization expenses	1675	2736
	Dividend from investments - quoted	(1)	-
	(Profit) / Loss on sale of Property, plant and equipment (net)	32	(223)
	Provision for Warranty	(171)	(115)
	Provision for Contractual Obligation	-	-
	Provision for ECL on Trade Receivables	(228)	(431)
	Provision for ECL on Contract Asset	12	513
	Liquidated damages & Trade receivables written off	20422	-
	Finance Costs	39942	35863
		61683	38343
	Operating profit before working capital changes	(2761)	14068
	Changes in working capital		
	(Increase) / decrease in trade receivables	20183	7293
	(Increase) / decrease in inventories	(386)	859
	(Increase) / decrease in current assets	1726	(16881)
	(Increase) / decrease in loans and advances	1144	2477
	Increase / (decrease) in trade payables and provisions	6921	22186
		29588	15934
	Cash generated from operations	26827	30002
	Direct taxes (paid) / refund (net)	3588	2699
	Net cash flow from operating activities	30415	32701
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Property, plant and equipment	(213)	(192)
	Sale proceeds of Property, plant and equipment	12	989
	Dividend from investments - quoted	1	-
	Net cash flow from investing activities	(200)	797
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Long term borrowings (repaid) / availed	23107	-
	Short term borrowings (repaid) / availed	(20267)	(3336)
	Payment of lease obligations	(84)	(431)
	Interest paid	(33396)	(33220)
	Net cash flow from financing activities	(30640)	(36987)
	Net increase/(decrease) in cash and cash equivalents (A+B+C)	(425)	(3489)
	Cash and cash equivalents as at April 1, 2022	2043	5532
	Cash and cash equivalents as at Mar 31, 2023	1618	2043
	Cash on hand	12	10
	On current accounts	63	360
	On deposit accounts	1543	1673

For and on behalf of Board of Directors

As per our report of even date
For Anand & Ponnappan
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President & Company Secretary

Chennai
May 30,2023

Consolidated Statement of Changes in Equity

Statement of Changes in Equity (2022-23)

Particulars	Equity Share Capital	Other Equity							Total Equity share capital and Other Equity	Non-Controlling interests	Total (2022-23)	
		Securities Premium Reserve	General Reserves	Revaluation Reserves	Retained Earnings	Capital reserve on consolidation	Equity Instruments through Other Comprehensive Income	Effective Portion of Cash Flow Hedges				Other Items of Other Comprehensive Income
Balance at the beginning of reporting Period (01.04.2022)	7216	31895	14427	-	4292 (48501)	242	43	(554)	146	57707 (48501)	(4001) (279)	53706 (48780)
Profit for the year							19	-		19		19
Amount transferred from Statement of Profit and Loss Equity Instruments through Other Comprehensive Income									(37)			(37)
Effective Portion of Cash Flow Hedges												
Remeasurement of net defined benefit Liability/Asset (net)												
Transfer to General Reserve												
Balance at the end of reporting Period (31.03.2023)	7216	31895	14427	-	4292 (48501)	242	62	(554)	109	9188	(4280)	4908

Statement of Changes in Equity (2021-22)

Particulars	Equity Share Capital	Other Equity							Total Equity share capital and Other Equity	Non-Controlling interests	Total (2021-22)	
		Securities Premium Reserve	General Reserves	Revaluation Reserves	Retained Earnings	Capital reserve on consolidation	Equity Instruments through Other Comprehensive Income	Effective Portion of Cash Flow Hedges				Other Items of Other Comprehensive Income
Balance at the beginning of reporting Period (01.04.2021)	7216	31895	14427	-	22598 (18306)	242	26	(248)	165	76321 (18306)	(3791) (210)	72530 (18516)
Profit for the year							17	(306)		17		17
Amount transferred from Statement of Profit and Loss Equity Instruments through Other Comprehensive Income									(19)	(306)		(306)
Effective Portion of Cash Flow Hedges												
Remeasurement of net defined benefit Liability/Asset (net)												
Transfer to General Reserve												
Balance at the end of reporting Period (31.03.2022)	7216	31895	14427	-	22598 (18306)	242	43	(554)	146	57707	(4001)	53706

For and on behalf of Board of Directors

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Vide our report even date
For Anand & Ponnappan
Chartered Accountants
Firm Registration No. : 000111S

R PONNAPPAN
Partner
Membership No.021695

Chennai
May 30,2023

Notes to the Consolidated Financial Statements

1.1. Notes to the Consolidated Financial Statements

A. COMPANY OVERVIEW

BGR Energy Systems Limited ('Holding Company' or 'the Group') is a public limited company incorporated under the provisions of the Companies Act, 1956. Its equity shares are listed on Bombay Stock Exchange ('BSE') and National Stock Exchange ('NSE'). The Company is a manufacturer of capital equipment for Power Plants, Petrochemical Industries, Refineries, Process Industries and undertakes turnkey Balance of Plant ('BOP') and Engineering Procurement and Construction ('EPC') contracts for Power plants. The Company has been achieving its objectives through its five business units: Power projects, Electrical projects, Oil and Gas equipment, Environmental engineering and Air Fin Coolers.

The consolidated financial statements relate to BGR Energy Systems Limited (Holding Company), its Subsidiary companies, namely, BGR Boilers Private Limited, BGR Turbines Company Private Limited and Sravanaa Properties Limited and its Joint Venture Mecon –GEA Energy System (India) Limited (JV).

The Holding Company, its Subsidiaries and Joint Venture are together referred to as "Group".

The Consolidated financial statements for the year ended March 31, 2023 were approved by the Board of Directors and authorised for issue on 31.03.2023.

Details of Subsidiaries	Shareholding (%)
Sravanaa Properties Limited	100
BGR Boilers Private Limited	70
BGR Turbines Company Private Limited	74

B. BASIS OF PREPARATION

i) Statement of Compliance

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 (Act) (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are

prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard require a change in the accounting policy hitherto in use.

ii) PRINCIPLES OF CONSOLIDATION AND EQUITY ACCOUNTING

Subsidiaries

Subsidiaries' are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries' are fully consolidated from the date on which control is transferred to the Group.

The Group combines the financial statements of the parent and its subsidiaries' line by line adding together like items of assets, liabilities, income and expense. Intercompany transactions, balances and unrealised gains on transactions between Group company's are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries' have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non controlling interest in the results and equity of the subsidiaries' are shown separately in that consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

Joint venture

Interest in joint ventures are accounted using the equity method, after initially being recognised at cost in the consolidated balance sheet.

Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognize the Group's share of post acquisition profits or loss of the investee

in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividend received or receivable from the joint venture are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity account investment equals or excess its interest in the entity, including any other unsecured long term receivables, the Group does not recognize further losses, unless it has incurred obligations and made payments on behalf of the other entity.

Unrealised gain on transactions between the Groups and its joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transfer. The accounting policies of equity accounted investees have been changed where necessary to ensure consistency to the policy adopted by the group.

iii) Use of estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the applications of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of assumptions in these financial statements have been disclosed below:

- a. Recognition of revenue
- b. Recognition of deferred tax asset : availability of future taxable profit
- c. Measurement of defined benefit obligations: Key actuarial assumptions
- d. Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources
- e. Estimation of useful life of property, plant and equipment and intangible assets

- f. Estimation of current tax expense and payable
- g. Estimation on assessing the Lease term as the non-cancellable period of a lease including anticipated renewals and the applicable discount rate.

Accounting estimates are reviewed on an on-going basis from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as and when management becomes aware of changes in circumstances surrounding the estimates. Changes in the estimates are reflected in the financial statements in the period in which change are made and, if material, their effects are disclosed in the notes to the financial statements.

iv) Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates ('the functional currency').

The financial statements are presented in Indian Rupee (INR), which is Group's functional and presentation currency.

The Standalone Financial Statements are presented in Indian Currency which is also the Group's functional currency. All amounts have been rounded off to the nearest millions, unless otherwise stated along with the comparative figures for the previous year ended.

v) Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Group has an established control framework with respect to the measurement of fair values.

Fair value categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly

(i.e. prices) or indirectly (i.e. derived from prices)

Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs)

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumption made in measuring fair values are included in fair value measurement forming part of notes to accounts.

vi) **Current versus non-current classification**

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

1. Expected to be realised or intended to be sold or consumed in normal operating cycle, or
2. Held primarily for the purpose of trading, or
3. Expected to be realised within twelve months after the reporting period, or
4. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

1. It is expected to be settled in normal operating cycle, or
2. It is held primarily for the purpose of trading, or
3. It is due to be settled within twelve months after the reporting period, or

4. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified project life as its operating cycle for construction contracts and twelve months for Capital goods segment .

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

C. **SIGNIFICANT ACCOUNTING POLICIES**

i) **Property, Plant and Equipment**

a) *Recognition & Measurement*

Property, Plant and Equipment are stated at cost, less accumulated depreciation and impairment losses, if any. Cost of Property, plant and equipment comprises its purchase cost, including import duties and non - refundable taxes or levies and any directly attributable cost to bring the item to working condition as intended by management. Further, any trade discounts and rebates are deducted. Any gain or loss on disposal of property, plant and equipment is recognised as profit or loss.

b) *Subsequent Recognition*

Expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

c) *Depreciation*

The Group depreciates the property, plant and equipment based on the of the useful life prescribed under Part C of Schedule II of the Companies Act, 2013 using Straight-line method. Freehold land is not depreciated. The useful life of the property, plant and equipment are as follows

Assets	Estimate of Useful Life in Years
Tangible Assets	
Buildings	30
Furniture & Fixtures	10
Plant & Equipment *	7.50-15
Office Fixtures	5
Office equipments	3, 5
Electrical Installations	10
Vehicles	8

*The Management believes that the useful lives as given above best represents the period over which Management expects to use these assets, which are different from the useful lives prescribed in the Schedule-II of the Companies Act, 2013.

Assets costing not more than Rs.5000/- unit is expensed in the profit and loss account in the year in which there purchased.

d) Capital Work-in-progress

Capital Work-In Progress includes cost of property, plant and equipment under installation/under developments as at the Balance Sheet date.

Property, Plant and Equipment not ready for the intended use on the date of Balance Sheet are disclosed as "Capital work-in-progress" at cost, less impairment losses, if any.

e) Transition to Ind AS

On transition to Ind AS, the Group has decided to continue with the carrying value of all its property, plant and equipment recognised as at April 1, 2015, measured as per previous GAAP and use that carrying amount as the deemed cost of such property, plant and equipment.

ii) Intangible Assets

a) Recognition & Measurement

Intangible assets are stated at cost, less accumulated amortisation and impairment losses, if any.

b) Subsequent Recognition

Expenditure is capitalised only if it increases the future economic benefits embodied in the related specific asset. All other expenditure is recognised in profit or loss as incurred.

c) Amortisation

The Group amortises the intangible assets over the estimated useful life made by the Management using Straight-line method, and is included in Depreciation and amortisation in the Statement of Profit and Loss.

The estimated useful life of the intangible assets are as follows

Intangible Assets

Asset	Estimate of Useful Life in Years
Technical Know-How	6
Softwares	5

d) Transition to Ind AS

On transition to Ind AS, the Group has decided to continue with the carrying value of all its Intangible asset recognised as at April 1, 2015, measured as per previous GAAP and use that carrying amount as the deemed cost of such Intangible asset.

iii) Investment Properties

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and impairment losses.

Depreciation on Investment property, wherever applicable, is provided on straight line basis as per useful lives prescribed in Part C of Schedule II to Companies Act 2013.

Investment properties are de-recognised either on disposal or on permanent withdrawal from use. Any gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognised in the Statement of Profit and Loss.

iv) Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. The Group's lease asset classes primarily consist of leases for land and buildings

a) *Recognition & Measurement*

The Group recognizes a right of use (ROU) asset and a corresponding lease liability, at the date of commencement of the lease. The Group recognizes ROU asset and lease liability for all lease arrangements except for leases with a term of 12 months or less (Short Term Lease) and low value leases.

The ROU assets are initially recognized at cost which is the initial measurement of lease liability adjusted for any lease payment made at or prior to the commencement date of the lease plus any initial direct cost less any lease incentives.

The Lease Liability is recognized at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments discounted using the Group's incremental borrowing rate.

In cases of short-term leases and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

b) *Subsequent Recognition*

The ROU assets are subsequently measured at cost less accumulated depreciation, impairment loss, if any and adjusted for any re-measurement of the lease liability.

The lease liabilities are subsequently measured by adding interest on lease liability to the carrying value, reducing the lease payments made to the carrying value and adjusting any reassessment or lease modification to the carrying value.

c) *Amortization*

The ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the lease assets.

d) *Impairment*

The ROU assets are tested for impairment whenever there is an indication that their carrying value may not be recoverable and impairment loss, if any, is recognized in the statement of profit and loss.

The lease liability has been separately presented in the Balance Sheet. The ROU assets have been classified under Property, Plant and Equipment. In the statement of cash flow, the lease payments,

which comprises of principal payment of lease liability and interest thereon, have been classified under financing activities. The Lease payment on account of Short-Term Leases or low value lease have been classified under operating activities

v) **Inventories**

Raw materials, Components, Stores and Spares, work-in-progress and Finished Goods are valued at lower of cost and net realizable value. Cost of inventories is determined on a weighted average basis. Finished goods and work-in-progress include cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

Raw-materials, Components and other supplies are considered to be realizable at cost if the finished products, in which they will be used are expected to be sold at or above cost

In the case of manufactured inventory, cost includes an appropriate share of fixed production overhead based on normal operating capacity.

vi) **Foreign currency transactions**

Transactions in foreign currencies are recorded in the functional currency at the exchange rates prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate prevailing at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on the historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in the profit or loss.

vii) **Employee benefits**

a) *Short-term employee benefits :*

Short-term employee benefits are recognized as an expense at the undiscounted amount in the statement of profit and loss for the year in which related services are rendered.

b) *Post employment benefits:*

i) *Defined contribution plan:*

Group's contributions paid/payable during the

year towards provident fund, pension scheme and employees' state insurance ('ESI') scheme are recognized in the statement of profit and loss.

ii) Defined benefit plan:

Group's liability towards gratuity in accordance with the Payment of Gratuity Act, 1972 is determined based on actuarial valuation using the Projected Unit Credit Method as at the reporting date. The Group contributes all the ascertained liabilities to SBI Life Insurance which administers the contributions and makes the payment at retirement, death, incapacitation or termination of employment.

c) Other Long-term employee benefits:

The Group provides for compensated absences subject to certain rules. The employees are entitled to accumulate such absences for availment as well as encashment. As per the regular past practice followed by the employees, it is not expected that the entire accumulated absence shall be encashed or availed by the employees during the next twelve months and accordingly the benefit is treated as other long-term employee benefits. The liability is recognized on the basis of the present value of the future benefit obligations as determined by actuarial valuation.

d) All actuarial gains/losses in respect of post employment benefits and other long term employee benefits are charged to Other Comprehensive Income.

viii) Financial instruments

a. Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instruments.

The Group measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

b. Financial assets - Classification

On initial recognition, a financial asset is classified as, measured at

1. Amortised cost;

2. Fair value through other comprehensive income (FVOCI) - debt instrument;

3. Fair value through other comprehensive income (FVOCI) - equity instrument;

4. Fair value through profit and loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

c. Financial assets - Measurement

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL :

1. The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
2. 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.

A financial asset is measured at FVTOCI if it meets both of the following conditions and is not designated as at FVTPL:

1. The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and
2. The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI - equity investment). This election is made on an investment by investment basis.

All financial assets not classified as measured at amortised cost or FVTOCI as described above are measured at FVTPL.

On initial recognition, the Group may irrevocably designate a financial asset as measured at FVTPL if doing so eliminates or significantly reduces accounting mismatch that would otherwise arise from recognising them as measured at amortised cost or at FVOCI.

d. Financial assets - Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the right to receive the contractual cash flows in a transaction in which subsequently all of the risk and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transaction whereby it transfers asset recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

e. Financial liabilities - Classification

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition.

f. Financial liabilities - Measurement

Financial liabilities measured at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss.

Other financial liabilities are measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss.

g. Financial liabilities - Derecognition

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired. The Group also derecognises a financial liability when its term are modified and the cash flows under the modified terms are substantially different, where a new financial liability based on the modified terms is recognised at fair value. Any gain or loss on derecognition in these cases, shall be recognised in profit or loss.

h. Offsetting

Financial assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

ix) Investments in subsidiaries and joint venture

Investment in subsidiaries and joint ventures are carried at cost less accumulated impairment (ie., permanent diminution in value), if any in the financial statements.

x) Cash flow hedge

The Group designates certain foreign exchange forward and options contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast transactions.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the cash flow hedging reserve. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the net profit in the Statement of Profit and Loss upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified to net profit in the Statement of Profit and Loss.

xi) Impairment

a. Financial assets

The Group recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair value through profit or loss. Loss allowance for trade receivables and contract assets with no significant financing component is measured at an amount equal to lifetime ECL. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

b. Non-financial assets (Intangible assets and property, plant and equipment)

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

xii) Provisions (other than for employee benefits)

- a) A Provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.
- b) Provision for contractual obligation has been provided for in accounts based on management's assessment of the probable outcome with reference to the available information supplemented by experience of similar transactions.
- c) The Group makes provision towards warranty obligation arising under the contract, while progressively recognising the revenue, based on management estimate and past experience of

similar contracts. Such provision is maintained until the warranty period is completed. The unutilised provision if any, is reversed on expiry of the warranty period.

xiii) Revenue

The Group has adopted Ind AS 115 'Revenue from Contracts with Customers' with the date of initial application being April 1, 2018. Ind AS 115 establishes a comprehensive framework on revenue recognition. Ind AS 115 replaces Ind AS 18 'Revenue' and Ind AS 11 'Construction Contracts'.

- a) Sale of goods and services - Performance obligation at a point in time

Revenue from the sale of goods in the course of ordinary activities is measured at the transaction price of the consideration received or receivable, net of returns, trade discounts. Revenue is recognised on the basis of despatches in accordance with the terms of sale when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of the goods can be estimated reliably, there is no continuing effective control over, or managerial involvement with the goods, and the amount of revenue can be measured reliably. The timing of transfers of risk and rewards varies depending on the individual terms of sale.

Revenue from services is recognized in accordance with the specific terms of contract on performance.

Other operating revenue includes scrap sale, interest income on margin money deposits etc. arising out of and incidental to the principal operation. The entire income under other operating revenue is recognised on accrual basis except in the case of interest income which is recognised using effective rate of interest method.

- b) *Construction contracts - Performance obligation over time*

The Group uses the 'percentage of completion method' to determine the appropriate amount to recognise revenue in a given period. The stage of completion is measured by reference to the contract costs incurred upto the end of the reporting period as percentage of total estimated costs for each contract. Expected loss, if any, on the construction / project related activity is recognized as an expense in the period in which it is foreseen, irrespective of the stage of completion of the contract. While determining the amount of foreseeable loss, all

elements of costs and related incidental income not included is taken into consideration. In respect of construction contracts, revenue includes variations in contract work, claims and incentive payments are included in contract revenue to the extent that may have been agreed with the customer and are capable of being reliably measured.

c) *Other Income*

Other income is comprised primarily of dividend income and exchange gain/loss on forward and options contracts and on translation of other assets and liabilities.

Dividend income: Dividend income is recognised in profit or loss on the date on which the Group's right to receive payments is established.

Others: Any other income is recognised only on accrual basis.

xiv) **Borrowing costs**

Borrowing costs that are attributable to the acquisition or construction of a qualifying asset are capitalized as part of the cost of such asset till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.

xv) **Income tax**

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to other comprehensive income.

a) *Current tax*

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustments to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantially enacted by the reporting date. Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended realise the asset and settle the liability on a net basis or simultaneously.

b) *Deferred tax*

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets

and liabilities for financial reporting purposes and the corresponding amounts used for taxation purpose. Deferred tax is recognised in respect of carried forward losses and tax credits. Deferred tax also not recognised for temporary differences arising on the initial recognition of assets or liabilities in a transaction that affects neither accounting nor taxable profit or loss at the time of transaction.

Deferred tax assets and liabilities are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets — unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

xvi) **Segment Reporting**

a) *Segment policies:*

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole.

b) *Identification of segments:*

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The board

of directors of the Group assesses the financial performance and position of the Group and makes strategic decisions.

c) Segment Revenue and Segment Result:

Segment revenue includes revenue from operations and other income directly identifiable with / allocable to the segment. Expenses that are directly identifiable with / allocable to segments are considered for determining the segment result. Revenue and expenses which relate to the Group as a whole and are not allocable to a segment on a reasonable basis have been disclosed as unallocable.

d) Segment Assets and Liabilities:

Segment assets and liabilities include those directly identifiable with respective segments. Unallocable corporate assets and liabilities represent the assets and liabilities that relate to the Group as a whole and not allocable to any segment.

xvii) Statement of Cash flows

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institution, other short-term, highly liquid investments with original maturities of twelve months or less that are readily convertible to known cash and which are subject to an insignificant risk of changes in value.

Statement of Cash flows are prepared using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

xviii) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institution, other short-term, highly liquid investments with original maturities of twelve months or less that are readily convertible to known cash and which are subject to an insignificant risk of changes in value.

xix) Dividends

Final dividend on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Group' Board of Directors.

xx) Earnings per share

a. Basic earning per share

Basic earnings per share is calculated by dividing

- i. the profit attributable to owners of the Group
- ii. by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares

b. Diluted earnings per share

Diluted earning per share adjusts the figures used in the determination of basic earnings per share to take into account:

- i. the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- ii. the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares

xxi) Contingent liabilities

The Group recognizes contingent liability for disclosure in notes to accounts, if any of the following conditions is fulfilled:

- a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise; or
- b) a present obligation that arises from past events but is not recognized because:
 - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - the amount of the obligation cannot be measured with sufficient reliability.

xxii) Contingent Assets

Contingent assets has to be recognised in the financial statements in the period in which it is virtually certain that an inflow of economic benefits will arise.

xxiii) 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 materials size or nature are only disclosed.

Notes to the Consolidated Financial Statements

1. PROPERTY, PLANT AND EQUIPMENT

Rs.Lakhs

Particulars	Land	Building *	Plant and Equipment	Right of Use Assets	Furniture and fixtures	Office fixtures	Office equipments	Electrical installations	Vehicles	Total
Cost or valuation										
At 1 April 2022	24,438	2,289	25,663	1,208	891	240	2,308	358	1,166	58,561
Additions	-	-	197	387	-	-	10	6	-	600
Impairment										-
Disposals	-	-	320	1,208	85	-	41	3	249	1,906
Less : Classified as Investment Property **	252									252
At 31 Mar 2023	24,186	2,289	25,540	387	806	240	2,277	361	917	57,004
Depreciation and impairment										
At 1 April 2022	-	800	18,644	1,205	727	237	2,189	313	996	25,111
Depreciation and Impairment charge for the year	-	70	1,331	41	57	2	75	18	46	1,639
Disposals	-	-	292	1,208	74	-	41	3	244	1,862
At 31 Mar 2023	-	870	19,683	38	709	239	2,223	328	798	24,889
Net book value										
At 31 Mar 2023	24,186	1,419	5,858	349	96	1	54	33	119	32,115
At 31 March 2022	24,438	1,489	7,019	3	164	3	118	45	170	33,450

* Buildings include original cost of Rs. 1585 lakhs (Rs. 1585 lakhs), which are constructed on lease hold land, whose carrying value/Net block is Rs.1054 Lakhs (Rs.1104 Lakhs)

** The fair value of Immovable properties is approximately equivalent to its carrying value.

Note : The Company has clear title for all the immovable properties held in its name.

2. INTANGIBLE ASSETS

Rs.Lakhs

Particulars	Goodwill	Technical Knowhow	Software	Total
At 1 April 2022	59	1,348	2,236	3,643
Additions	-	-	-	-
Disposal	-	-	81	81
At 31 Mar 2023	59	1,348	2,155	3,562
Amortisation and impairment				
At 1 April 2022	-	1,348	2,176	3,524
Amortisation	-	-	36	36
Disposal	-	-	57	57
At 31 Mar 2023	-	1,348	2,155	3,503
Net book value				
At 31 Mar 2023	59	-	-	59
At 31 March 2022	59	-	60	119

Notes to the Consolidated Financial Statements

1. PROPERTY, PLANT AND EQUIPMENT

Rs.Lakhs

Particulars	Land	Building*	Plant and Equipment	Right of Use Assets	Furniture and fixtures	Office fixtures	Office equipments	Electrical installations	Vehicles	Total
Cost or valuation										
At 1 April 2021	25,294	2,728	26,425	1,208	891	240	2,301	360	1,280	60,727
Additions	-	-	183	-	2	-	7	-	-	192
Impairment	-	439	-	-	-	-	-	-	-	439
Disposals	856	-	945	-	2	-	-	2	114	1,919
At 31 Mar 2022	24,438	2,289	25,663	1,208	891	240	2,308	358	1,166	58,561
Depreciation and impairment										
At 1 April 2021	-	841	17,944	820	660	234	2,068	289	1,054	23,911
Depreciation and Impairment charge for the year **	-	398	1,609	385	67	3	120	25	57	2,665
Disposals	-	439	908	-	1	-	-	1	115	1,464
At 31 Mar 2022	-	800	18,644	1,205	727	237	2,189	313	996	25,111
Net book value										
At 31 Mar 2022	24,438	1,489	7,019	3	164	3	118	45	170	33,450
At 31 March 2021	25,294	1,888	8,480	388	230	6	232	71	226	36,816

* Buildings include original cost of Rs. 1585 lakhs (Rs. 1585 lakhs), which are constructed on lease hold land.

** Includes Impairment of Rs.312 Lakhs

2. INTANGIBLE ASSETS

Rs.Lakhs

Particulars	Goodwill	Technical Knowhow	Software	Total
At 1 April 2021	59	1,348	2,236	3,643
Additions	-	-	-	-
Disposal	-	-	-	-
At 31 Mar 2022	59	1,348	2,236	3,643
Amortisation and impairment				
At 1 April 2021	-	1,348	2,106	3,454
Amortisation	-	-	71	71
Disposal	-	-	-	-
At 31 Mar 2022	-	1,348	2,176	3,524
Net book value				
At 31 Mar 2022	59	-	60	119
At 31 March 2021	59	-	131	190

Notes to the Consolidated Financial Statements

3, FINANCIAL ASSETS

Rs.Lakhs

3 (a) Non Current Investments

Particulars	As at Mar 31, 2023	As at Mar 31, 2022	As at Apr 1, 2021
Investments at Cost			
Investments in Subsidiaries			
Unquoted equity shares	-	-	-
Total Investments carried at cost (A)	-	-	-
Investments at fair value through OCI (fully paid)			
Quoted equity shares			
13,970 Indian Bank	40	22	16
(13,970) of Rs.91 per share (Face value Rs.10)			
Market Value Rs.288.55 (Rs.153.90) per share			
Quoted Investments in Mutual Funds			
50,000 SBI Mutual Fund-Magnum Multi Cap Fund - Dividend	17	17	14
(50,000) units			
Market Value Rs.33.0263 (Rs.34.1122) per unit			
2,50,000 SBI Mutual Fund-Infrastructure Fund - I - Growth	69	62	48
(2,50,000) units			
Market Value Rs.27.7633 (Rs.25.0112) per unit			
Investments carried at fair value through Other Comprehensive Income (B)	126	101	78
Total Investments	126	101	78
Current	-	-	-
Non-Current	126	101	78
Aggregate cost of quoted investments	43	43	43
Aggregate market value of quoted investments	126	101	78
Aggregate value of unquoted investments	-	-	-

Notes to the Consolidated Financial Statements

3 (b) Trade receivables - Non current

Rs.Lakhs

Particulars	As at Mar 31, 2023	As at Mar 31, 2022	As at Apr 1, 2021
Trade Receivables considered good - Secured	-	-	-
Trade Receivables considered good - Unsecured	19540	55478	54567
Trade Receivables which have significant increase in Credit Risk	-	-	-
Trade Receivables - Credit Impaired	-	-	-
	19540	55478	54567
Less: Allowance for Credit Loss	(489)	(1387)	(1364)
Total Trade receivables	19051	54091	53203

3 (c) Loans - Non current

Rs.Lakhs

Particulars	As at Mar 31, 2023	As at Mar 31, 2022	As at Apr 1, 2021
Loans considered good - secured	-	-	-
Loans considered good - unsecured			
- Deposits	615	643	1189
- Other loans and advances	3011	3061	5429
Loans which have significant increase in credit risk	-	-	-
Loans - credit impaired	-	-	-
	3626	3704	6618
Less: Allowance for Credit Loss	(166)	-	-
Total loans	3460	3704	6618

3 (d) Other financial Assets

Rs.Lakhs

Particulars	As at Mar 31, 2023	As at Mar 31, 2022	As at Apr 1, 2021
Margin money deposit held under lien to banks - maturity more than 12 months	4657	7712	11093
Interest accrued on margin money deposits	109	291	739
Total Other financial Assets	4766	8003	11832

4. INVENTORIES

Rs.Lakhs

Particulars	As at Mar 31, 2023	As at Mar 31, 2022	As at Apr 1, 2021
Raw materials and components	4238	3734	4692
Work-in-progress	-	118	19
Total Inventories	4238	3852	4711

Notes to the Consolidated Financial Statements

Current Assets

5. FINANCIAL ASSETS

5 (a) Trade Receivables

Rs.Lakhs

Particulars	As at Mar 31, 2023	As at Mar 31, 2022	As at Apr 1, 2021
Trade Receivables considered good - Secured	-	-	-
Trade Receivables considered good - Unsecured			
- from related parties	1127	1219	1180
- from Others	68974	73662	81695
Trade Receivables which have significant increase in Credit Risk	-	-	-
Trade Receivables - Credit Impaired	-	-	-
	70101	74881	82875
Less: Allowance for Credit Loss	(2429)	(1872)	(2116)
Total Trade receivables	67672	73009	80759

Ageing of Trade Receivables as on 31.03.2023

Rs.Lakhs

S. No	Particulars	Outstanding for following periods from due date of payments					Total
		Less than 6 Months	6 Months to 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
1	Undisputed Trade Receivables - Considered Good	16,087	6,657	9,833	7,567	40,781	80,925
2	Undisputed Trade Receivables - Considered Doubtfull						-
3	Sub Total (a)	16,087	6,657	9,833	7,567	40,781	80,925
4	Disputed Trade Receivables - Considered Good	-	-	-	-	8,716	8,716
5	Disputed Trade Receivables - Considered Doubtfull						-
6	Sub Total (b)	-	-	-	-	8,716	8,716
7	Grand Total (a+b)	16,087	6,657	9,833	7,567	49,497	89,641
8	Less: Allowance for Credit Loss						(2,918)
9	Net Total	16,087	6,657	9,833	7,567	49,497	86,723

Notes to the Consolidated Financial Statements

Ageing of Trade Receivables as on 31.03.2022

Rs.Lakhs

S. No	Particulars	Outstanding for following periods from due date of payments					Total
		Less than 6 Months	6 Months to 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
1	Undisputed Trade Receivables - Considered Good	23,474	10,011	9,063	12,904	30,266	85,720
2	Undisputed Trade Receivables - Considered Doubtfull						-
3	Sub Total (a)	23,474	10,011	9,063	12,904	30,266	85,720
4	Disputed Trade Receivables - Considered Good	-	-	-	-	44,639	44,639
5	Disputed Trade Receivables - Considered Doubtfull						-
6	Sub Total (b)	-	-	-	-	44,639	44,639
7	Grand Total (a+b)	23,474	10,011	9,063	12,904	74,906	1,30,359
8	Less: Allowance for Credit Loss						(3,259)
9	Net Total	23,474	10,011	9,063	12,904	74,906	1,27,100

5 (b) Cash & Bank Balances

Rs.Lakhs

Particulars	As at Mar 31, 2023	As at Mar 31, 2022	As at Apr 1, 2021
Cash and Cash equivalents			
Balances with banks:			
– On current accounts	63	360	3096
– On deposits accounts	1543	1673	2418
Cash on hand	12	10	18
On unpaid dividend accounts	-	-	8
Total Cash and cash equivalents	1618	2043	5540
Margin money deposits held under lien to banks	28035	25335	29841
Total Bank Balances other than Cash and Cash Equivalents	28035	25335	29841
Total Cash and Bank Balances	29653	27378	35381

Notes to the Consolidated Financial Statements

5(c) Loans

Rs.Lakhs

Particulars	As at Mar 31, 2023	As at Mar 31, 2022	As at Apr 1, 2021
Loans Considered good - Secured	-	-	-
Loans Considered good - Unsecured	-	-	-
- Advance to related party	-	-	458
- Other loans and advances *	38847	43504	38878
- Deposits	2124	1955	4438
Loans which have significant increase in credit risk	-	-	-
Loans - Credit impaired	-	-	-
Total loans	40971	45459	43774

* Includes employee loans, travel advances, prepaid expenses, DGFT refund, GST credit and VAT refunds.

5 (d) Other Financial Assets

Rs.Lakhs

Particulars	As at Mar 31, 2023	As at Mar 31, 2022	As at Apr 1, 2021
Interest accrued on fixed deposits	778	1024	637
Total Other Financial Assets	778	1024	637

6. OTHER CURRENT ASSETS

RS.LAKHS

Particulars	As at Mar 31, 2023	As at Mar 31, 2022	As at Apr 1, 2021
Unsecured, considered good			
Advance to suppliers	37489	41244	45206
Others *	11445	8698	8698
Contracts Asset **	240219	238785	213132
Prepayments	517	1870	1781
Sub Total	289670	290597	268817
Less : Allowance for Credit Loss on Contract Asset	(4804)	(4776)	(4263)
Total Other Current Assets	284866	285821	264554

* During the FY 2018-19, a client arbitrarily encashed three performance bank guarantees totalling to Rs.8698 Lakhs. The Company has initiated arbitration proceedings and pending such proceedings, the amount of Rs.8698 Lakhs is grouped under " Other Current Assets ".

* During the FY 2022-23, a client arbitrarily encashed two performance bank guarantees totalling to Rs.2747 Lakhs. The Company has initiated arbitration proceedings and pending such proceedings, the amount of Rs.2747 Lakhs is grouped under " Other Current Assets ".

** Contract Assets includes Retention money of Rs.114299 Lakhs (Rs.121641 Lakhs)

7. EQUITY SHARE CAPITAL

Authorised Share Capital

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Share Capital at the beginning of the year (Face value Rs.10 each)	10,00,00,000	10,000	10,00,00,000	10,000
Increase / (Decrease) during the year	-	-	-	-
Share Capital at the end of the year	10,00,00,000	10,000	10,00,00,000	10,000

Issued, Subscribed and Paid-up Share Capital

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Issued, Subscribed and Paid-up Share Capital	7,21,61,560	7,216	7,21,61,560	7,216

a. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Outstanding at the beginning of the year	7,21,61,560	7,216	7,21,61,560	7,216
Issued during the year	-	-	-	-
Outstanding at the end of the year	7,21,61,560	7,216	7,21,61,560	7,216

b. Details of shareholders holding more than 5% shares in the company

Particulars	As at March 31, 2023			As at March 31, 2022		
	No. of Shares	% held	% Change during the year	No. of Shares	% held	% Change during the year
Mrs. Sasikala Raghupathy	1,73,14,450	23.99	(13.24)	2,68,68,450	37.23	-
BGR Investment Holdings Company Limited	3,68,02,400	51.00	13.24	2,72,48,400	37.76	-

c. Details of shareholdings held by promoters

Particulars	As at March 31, 2023			As at March 31, 2022		
	No. of Shares	% held	% Change during the year	No. of Shares	% held	% Change during the year
Mrs. Sasikala Raghupathy	1,73,14,450	23.99	(13.24)	2,68,68,450	37.23	-
BGR Investment Holdings Company Limited	3,68,02,400	51.00	13.24	2,72,48,400	37.76	-
Mr.S.K Sridhar	-	-	-	4,320	0.01	-
Mr.Arjun Govind Raghupathy	4,320	0.01	-	-	-	-

d. Terms/rights attached to equity shares

The Company has one class of shares referred to as equity shares having a Face value of Rs 10. Each holder of equity shares is entitled to one vote per share.

Notes to the Consolidated Financial Statements

NON-CURRENT LIABILITIES

8. FINANCIAL LIABILITIES

8. (a) BORROWINGS

Rs.Lakhs

Non-Current Borrowings	As at Mar 31,2023	As at Mar 31, 2022	As at Apr 1, 2021
Unsecured			
Unsecured Loan from related party	23107		
Unsecured Loan from Others			
Secured			
Term Loans from Banks	-	-	-
Borrowings (Non Current)	23107	-	-
Working capital loans from banks	161033	187846	193825
Borrowings (Current)	161033	187846	193825
Total Borrowings	184140	187846	193825

- a) The balance in project specific escrow,current and EEFC accounts have been netted off against respective project's working capital loan accounts.
- b) The Group has availed working capital loan from State Bank of India on sole banking basis for its Product business and project business which have not been specifically funded by other banks. The loan is secured by hypothecation of inventories, trade receivables and movable assets of Product Division viz AFC, ETD, OGED, EED and EPD excluding Project assets specifically charged to the banks / Consortium of banks. The loan from State Bank of India is further secured by first charge on land property at Panjetti Village, Tiruvallur Dist, Tamilnadu, land at Nandambakkam, Chennai, corporate guarantee of Sravanaa Properties Limited and first charge on the fixed assets of the Product Division.
- The Loan is further secured by pledge of shares held by BGR Investment Holdings Company Limited in BGR Energy Systems Limited and the corporate guarantee of BGR Investment Holdings Company Limited.
- c) The Group has availed contract specific working capital loans from State Bank of India, IDBI Bank, Punjab National Bank, Canara Bank, Bank of Baroda, Indian Bank, Bank of India, Central Bank of India, Axis Bank, ICICI Bank, Kotak Mahindra Bank Ltd, Export Import Bank of India and Union Bank of India. These loans are secured by hypothecation of inventories, trade receivables and movable current assets of the respective contracts. The participating banks share the securities on pari-passu basis.
- d) The working capital loan from Export Import Bank of India, is further secured by the second charge on current assets of the product divisions.
- e) During the year the Group has availed unsecured Loans from Related Parties namely loan from Managing Director Rs.20000 Lakhs and Loan from BGR Investment Holdings Company Limited Rs.3107 Lakhs both at the interest rate of 9.75% p.a. These loans are repayable on demand subject to approval from Banks.
- f) The quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

FINANCIAL LIABILITIES

8 (b) Lease Liabilities

Rs.Lakhs

Particulars	As at Mar 31, 2023	As at Mar 31, 2022	As at Apr 1, 2021
Lease Liabilities - Non Current	239	-	3
Lease Liabilities - Current	84	3	431
Total Lease Liabilities	323	3	434

8 (c) Trade Payables

Rs.Lakhs

Particulars	As at Mar 31, 2023	As at Mar 31, 2022	As at Apr 1, 2021
Micro enterprises and small enterprises	14376	12551	13478
Others			
Other than Micro enterprises and small enterprises	111241	82186	125253
Total Trade Payables	125617	94737	138731
Trade Payables Current	115754	85317	127825
Trade Payables Non Current	9863	9420	10906

Ageing of Trade Payables as on 31.03.2023

Rs.Lakhs

S.No	Particulars	Outstanding for following periods from due date of payments				Total
		Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
1	MSME	3,207	1,844	1,432	6,130	12,613
2	Others	27,259	6,386	22,562	39,435	95,643
3	Sub Total	30,466	8,231	23,994	45,565	1,08,256
4	MSME - Disputed Dues	76	4	220	1,463	1,763
5	Others - Disputed Dues	6,699	1,025	2,206	5,668	15,598
6	Sub Total	6,775	1,029	2,426	7,131	17,361
7	Total	37,241	9,260	26,420	52,696	1,25,617

Notes to the Consolidated Financial Statements

Ageing of Trade Payables as on 31.03.2022

Rs.Lakhs

S.No	Particulars	Outstanding for following periods from due date of payments				
		Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
1	MSME	4,365	1,913	2,651	1,573	10,502
2	Others	16,084	10,440	34,981	20,016	81,521
3	Sub Total	20,449	12,352	37,632	21,589	92,022
4	MSME - Disputed Dues	117	234	606	1,093	2,050
5	Others - Disputed Dues	180	-	80	405	665
6	Sub Total	297	234	686	1,498	2,715
7	Total	20,746	12,586	38,318	23,087	94,737

Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006.

On the basis of confirmation obtained from suppliers who have registered themselves under the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Group, the following are the details:

Rs.Lakhs

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Principal amount remaining unpaid	14312	12922
Interest due thereon remaining unpaid	5952	3494
Payments made to the supplier beyond the appointed day during the year	3669	6227
Interest paid to the supplier	-	-
Interest due and payable for the period of delay in making payment without adding interest specified under this Act.	-	-
Interest accrued and remaining unpaid	3494	3494
Amount of further interest remaining due and payable in succeeding years	-	-

9. NON CURRENT PROVISIONS

Rs.Lakhs

	As at Mar 31, 2023	As at Mar 31, 2022	As at Apr 1, 2021
Employee benefit obligations			
Provision for leave encashment	225	247	272
Provision for gratuity	932	941	871
Provision for contractual obligation	10669	10669	11810
Provision for warranty	2196	2128	2057
Total Non Current Provisions	14022	13985	15010

Notes to the Consolidated Financial Statements

10. OTHER FINANCIAL LIABILITIES

Rs.Lakhs

Particulars	As at Mar 31, 2023	As at Mar 31, 2022	As at Apr 1, 2021
Current maturities of long-term borrowings	-	-	-
Unpaid dividends	-	-	8
Advance from customers	124075	105700	67682
Interest accrued	10099	3553	910
Total	134174	109253	68600

11. OTHER CURRENT LIABILITIES

Rs.Lakhs

Particulars	As at Mar 31, 2023	As at Mar 31, 2022	As at Apr 1, 2021
Other payables *	23876	59249	21030
Contract Liability	7800	8395	13519
Total Other Current Liabilities	31676	67644	34549

* Other payables include expenses payable, employee dues, withholding taxes and other statutory dues.

12. PROVISIONS

Rs.Lakhs

Particulars	As at Mar 31, 2023	As at Mar 31, 2022	As at Apr 1, 2021
Employee benefit obligations			
Provision for bonus	8	19	30
Provision for leave encashment	100	109	105
Provision for gratuity	326	334	333
Others			
Provision for warranty	250	240	192
Total Provisions	684	702	660

Notes to the Consolidated Financial Statements

STATEMENT OF PROFIT AND LOSS

13. REVENUE FROM OPERATIONS:

Rs.Lakhs

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Capital Goods	19247	18892
Construction and EPC contracts	59760	101353
Other operating revenues		
-Interest on Margin Money Deposits	1487	1542
-Income from scrap Sales	133	283
Total Other operating revenues	1620	1825
Total Revenue from operations	80627	122070

14. OTHER INCOME

Rs.Lakhs

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Dividend from investments - quoted	1	-
Others		
Net gain on disposal of property, plant and equipment	-	223
Foreign exchange (net)	1846	422
Interest on advances / deposit / IT-refunds	537	641
Provision no longer required/Written back	2654	-
Total Income	5038	1286

15 COST OF RAW MATERIAL AND COMPONENTS CONSUMED

Rs.Lakhs

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Opening inventory	3734	4692
(Raw materials, consumables, bought outs and components)		
Add : Purchases	56589	75126
	60323	79818
Less: Closing inventory	4238	3734
(Raw materials, consumables, bought outs and components)		
Cost of raw material and components consumed	56085	76084

Notes to the Consolidated Financial Statements

16. COST OF MANUFACTURING AND CONSTRUCTION

Rs.Lakhs

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Subcontracting and processing charges	12202	13271
Power and fuel	131	128
Cost of manufacturing and construction	12333	13399

17. OTHER DIRECT COST

Rs.Lakhs

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Insurance	1405	839
Packing and forwarding	66	115
Other direct cost	1471	954

18. EMPLOYEE BENEFITS EXPENSE

Rs.Lakhs

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Salaries, allowances and bonus	11623	12123
Contribution to P.F., E.S.I.	420	437
Workmen and staff welfare expenses	614	715
Compensated Absences	59	84
Gratuity	96	202
Employee benefits expense	12812	13561

19. FINANCE COSTS

Rs.Lakhs

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Interest on working capital loans	18936	19121
Hedging Premium-Expense	661	1034
Interest - others *	13442	8881
Other Finance Charges	6903	6827
Finance costs	39942	35863

* Includes Interest on Customer Advance, MSME Interest and Unsecured Loan from Related Parties

20. DEPRECIATION AND AMORTIZATION EXPENSE

Rs.Lakhs

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Depreciation of Property, Plant & Equipments (incl. Right to use)	1642	2666
Amortization of intangible assets	33	70
Depreciation and amortization expense	1675	2736

Notes to the Consolidated Financial Statements

21. OTHER EXPENSES

Rs.Lakhs

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Rent	645	480
Payment to Statutory auditors (refer details below)	51	79
Conveyance and vehicle running expenses	528	512
Liquidated damages	7052	-
Trade receivables written off	13370	-
Electricity charges	148	142
Insurance	81	45
Loss on sale of Property,Plant and Equipments (net)	32	-
Miscellaneous expenses	631	679
CSR expenses	-	1
Professional charges	1401	1513
Rates and taxes	90	133
Repairs and maintenance	932	903
Security charges	215	255
Selling expenses	17	23
Sitting fees	25	27
Telephone expenses	69	78
Travelling expenses	386	263
Total Other expenses	25673	5133

PAYMENT TO STATUTORY AUDITORS

Rs.Lakhs

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
- For audit fees	36	75
- For tax matters	14	-
- For certification and others	1	4
Total Payment to Statutory Auditors	51	79

22. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Rs.Lakhs

S.No	Particulars	2022-23	2021-22
1	Amount required to be spent by the Company during the year	-	-
2	Amount of expenditure incurred	-	1
3	Shortfall at the end of the year	-	-
4	Total of previous years shortfall	-	-
5	Reasons for shortfall	-	-
6	Nature of CSR activities	-	Deposited in to Swachh Bharat Kosh
7	Details of related party transactions., e.g contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standard	-	-
8	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	-	-

23. COMPONENTS OF OTHER COMPREHENSIVE INCOME (OCI)

Rs.Lakhs

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Items that will not be reclassified to Profit/Loss		
Remeasurement of net defined benefit Liability/Asset (net)	(37)	(19)
Equity Instruments through Other Comprehensive Income (net)	19	17
Items that will be reclassified to Profit/Loss		
Fair value changes on cash flow hedges (net)	-	(306)
Total Other Comprehensive Income for the Year	(18)	(308)

24. EARNINGS PER SHARE (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computation :

Rs.Lakhs

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Basic EPS		
Profit after tax as per accounts	(48,501)	(18,306)
Weighted average number of equity shares (face value Rs.10 per share) (lakh Nos.)	722	722
Basic EPS (Rs.)	(67.21)	(25.37)

Notes to the Consolidated Financial Statements

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Diluted EPS		
Profit for the year for basic EPS	(48,501)	(18,306)
Less : Adjustment	-	-
Adjusted profit for diluted EPS	(48,501)	(18,306)
Weighted average number of equity shares for Basic EPS (lakh Nos.)	722	722
Add : Adjustment	-	-
Weighted average number of equity shares (face value Rs.10 per share) for diluted EPS (lakh Nos.)	722	722
Diluted EPS (Rs.)	(67.21)	(25.37)

25. FINANCIAL RATIOS

Rs.Lakhs

S.No	Ratios	Particulars	Units	2022-23	2021-22	% Inc \ Dec	Reasons
1	Current Ratio	Current Assets / Current Liabilities	Times	0.97	0.97	0%	
2	Debt-Equity Ratio	Debt / Total Equity	Times	37.52	3.50	973%	Reduction in total equity due to loss
3	Debt Service Coverage Ratio	EBIDTA / (Interest+Principal)	Times	(0.70)	0.36	292%	Increase in loss
4	Return on Equity Ratio	PAT / Tangible Networth	%	-994.25%	-35.01%	-2740%	Increase in loss
5	Inventory Turnover	Inventory / COGS * 360	No of Days	22	15	42%	Reduction in Turnover
6	Trade Receivables Turnover	Trade Receivables / Turnover * 360	No of Days	387	375	3%	
7	Trade Payables Turnover	Trade Payables / COGS * 360	No of Days	646	378	71%	Reduction in Turnover
8	Net Capital Turnover Ratio	Turnover / Total Equity	Times	16.43	2.27	623%	Reduction in total equity due to loss
9	Net Profit Ratio	PAT / Turnover	%	-60.52%	-15.42%	-292%	Increase in loss
10	Return on Capital Employed	PBT / Total Equity	%	-1313.04%	-45.20%	-2805%	Increase in loss
11	Return on Investment	Income from Investments / Investments	%	-	-	0%	

Notes to the Consolidated Financial Statements

26. CONSTRUCTION CONTRACTS

Rs.Lakhs

In respect of all construction contracts in progress at the end of the year :

Particulars	As at Mar 31,2023	As at Mar 31,2022
The aggregate amount of costs incurred and recognized profits (less recognized losses) (including amounts carried forward from previous years)	1013432	1011427
The amount of advances received	124075	105700
The amount of retentions	114299	121641
The gross amount due from customers for contract work as an asset (unbilled revenue)	128292	117145
The gross amount due to customers for contract work as a liability (unearned revenue)	7800	8395

The contract value includes non cash consideration as per the requirement of Ind AS 115. The non cash consideration is valued based on the fair value \ input by the customer.

27. DEFERRED TAXES

Major components of deferred tax assets and liabilities are as under:

Rs.Lakhs

Particulars	Deferred tax asset as at Mar 31, 2023	Deferred tax liability as at Mar 31, 2023	Deferred tax asset as at Mar 31, 2022	Deferred tax liability as at Mar 31, 2022
Property,plant and equipment	-	61	-	167
Other Intangibles	32	-	28	-
Trade Receivables	734	-	820	-
Provisions	337	-	326	-
Customer Retention	-	24944	-	26711
ECL on Contract Asset	1209	-	1202	-
Carry forward tax loss	30237	-	16368	-
Lease Liabilities (net)	-	7	-	-
Sub Total	32549	25012	18744	26878
Net	7537			8134

TAX RECONCILIATION

Rs.Lakhs

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Profit/(Loss) before Tax	(64,444)	(24,275)
Enacted Tax Rates in India	25.17%	25.17%
Computed expected Tax expense	(16,221)	(6,110)
Tax Effects of amounts which are not deductible (taxable) in calculating taxable income	16,222	6,112
Tax Effects of amounts which are deductible in calculating taxable income	-	-
Tax Reversals	-	-
Current Tax Expense	1	2

The applicable Indian statutory tax rate for fiscal year 2023 is 25.17% and fiscal year 2022 is 25.17%.

Notes to the Consolidated Financial Statements

28. INTEREST IN OTHER ENTITIES

a) Subsidiaries

The group's subsidiaries at 31st Mar, 2023 are set out below. Unless otherwise states, they have Share capital consisting solely of equity share capital that are directly held by the group, and the proportion of ownership interests held equals to the voting right held by the group.

Name of the entity	Place of business / country of incorporation	Ownership interest held by the Group		Ownership interest held by non controlling interests		Principal activities
		31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	
i. BGR Boilers Private Limited	Chennai, India	70%	70%	30%	30%	Sales of goods
ii. BGR Turbines Company Private Limited	Chennai, India	74%	74%	26%	26%	Sales of goods
iii. Sravanaa Properties Limited	Chennai, India	100%	100%	0%	0%	Leasing of assets

b) Non- Controlling interests (NCI)

Set out below is summarized financial information for each subsidiary that has non controlling interest that are material to the Group. The amounts disclosed for each subsidiary are before inter company eliminations.

Rs.Lakhs

Summarized balance sheet	BGR Boilers Private Limited		BGR Turbines Company Private Limited	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
Current assets	4828	4937	5485	5207
Current liabilities	19001	18636	3663	3377
Net current assets	(14173)	(13699)	1822	1830
Non-current assets	9560	9362	2987	2856
Non-current liabilities	2825	2829	1652	1524
Net non-current assets	6734	6533	1335	1333
Net assets	(7439)	(7166)	3156	3162

Accumulated Non-Controlling interests

Rs.Lakhs

Summarized statement of profit and loss	BGR Boilers Private Limited		BGR Turbines Company Private Limited	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
Revenue	198	185	49	375
Profit for the Year	(911)	(613)	(24)	(101)
Other Comprehensive Income	-	-	-	-
Profit allocated to NCI	(273)	(184)	(6)	(26)
Dividends paid to NCI	-	-	-	-

Notes to the Consolidated Financial Statements

29. FINANCIAL INSTRUMENTS

Rs.Lakhs

The Carrying Value and Fair Value of Financial Instruments as of Mar 31, 2023 were as follows

Particulars	Financial Assets carried at Amortised Cost	Financial Assets carried at FVTPL	Financial Assets carried at FVTOCI	Total Carrying Value	Total Fair Value
ASSETS					
Cash & Cash Equivalents	1618			1618	1618
Bank balance other than above	28035			28035	28035
Investments:					
Equity Securities and others			40	13	40
Liquid mutual fund units			86	30	86
Trade Receivables	86723			86723	86723
Loans	44431	-		47727	44431
Other Financial Assets	5544			5544	5544
Total	166351	-	126	169690	166477
LIABILITIES					
Other Financial Liabilities	134174			134174	134174
Lease Liabilities	323			323	323
Trade Payables	125617			125617	125617
Borrowings	184140			184140	184140
Total	444254	-	-	444254	444254

The Carrying Value and Fair Value of Financial Instruments as of March 31, 2022 were as follows

Rs.Lakhs

Particulars	Financial Assets carried at Amortised Cost	Financial Assets carried at FVTPL	Financial Assets carried at FVTOCI	Total Carrying Value	Total Fair Value
ASSETS					
Cash & Cash Equivalents	2043			2043	2043
Bank balance other than above	25335			25335	25335
Investments:					
Equity Securities and others			22	13	22
Liquid mutual fund units			79	30	79
Trade Receivables	127100			127100	127100
Loans	48069	1094		50271	49163
Other Financial Assets	9027			9027	9027
Total	211574	1094	101	213819	212769
LIABILITIES					
Other Financial Liabilities	109253			109253	109253
Lease Liabilities	3			3	3
Trade Payables	94737			94737	94737
Borrowings	187846			187846	187846
Total	391839	-	-	391839	391839

Notes to the Consolidated Financial Statements

30. FAIR VALUE HIERARCHY

The Following table shows the levels in the fair value hierarchy :

Fair Value Measurement at the end of the reporting period	As at Mar 31, 2023	As at Mar 31, 2022
ASSETS		
Investments		
Mutual Fund Investments	Level 1	Level 1
Equity Instruments	Level 1	Level 1

Fair value of mutual fund and equity investments is based on quoted price.

The Management has assessed the fair value of trade receivables, trade payables, cash & cash equivalents, bank balances, bank deposits, loans and advances, bank borrowings, lease liabilities and other financial assets and liabilities approximate their carrying amounts.

31. RISK MANAGEMENT STRATEGIES

Financial risk management:

The Group's activities exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks.

Market risk

Market risk is the risk of loss of future earnings or fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables. The Group is exposed to market risk primarily related to foreign exchange rate risk (currency risk), interest rate risk and the market value of its investments. Thus the Group's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

Foreign currency risk

The Group has entered into various contracts in several currencies and consequently the Group is exposed to foreign exchange risk through its sales, services and purchases from suppliers in various foreign currencies. The Group holds derivative financial instruments such as foreign exchange forward contract to mitigate the risk of changes in exchange rates on foreign currency exposures. The exchange rate between the rupee and foreign currencies has changed substantially in recent years. The fluctuations in exchange rate may have an impact on Group's operations.

Foreign currency sensitivity

a. Particulars of unhedged foreign currency exposure are as under :

Rs. in lakhs / Foreign currency in lakhs

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Assets (Trade receivables / advance to suppliers / bank balances)		
In foreign currency		
In USD	113.26	362.35
In EURO	193.05	190.91
In GBP	0.01	0.01
In JPY	55.10	2.35
In AED	0.41	0.17
In CHF	0.04	0.04
In SAR	-	0.17
In Indian currency		
In USD	9,370.92	27,658.21
In EURO	17,542.30	16,372.14
In GBP	0.58	0.57
In JPY	34.51	1.48
In AED	9.34	3.61
In CHF	3.70	3.37
In SAR	-	3.46
Liabilities (Advance from customers/trade payables/buyers credit)		
In foreign currency		
In USD	91.56	70.48
In EURO	145.07	163.50
In GBP	0.28	0.24
In Indian currency		
In USD	7,575.97	5,379.44
In EURO	13,182.11	14,021.64
In GBP	28.52	23.88

Notes to the Consolidated Financial Statements

An appreciation / depreciation of 0.50 percentage points in exchange rate between the INR and USD, the operating margins at the reporting date (31.03.2022) would have increased / (decreased) equity and profit by Rs.47 Lakhs (Rs.138 Lakhs)

The Sensitivity analysis is computed based on the change in the income and expenses in the foreign currency upon conversion into functional currency, due to exchange rate fluctuations between the previous reporting and the current reporting period

- b. Particulars of derivative contracts entered into for hedging purpose outstanding are as under:

Rs. in lakhs / Foreign currency in lakhs

Particulars	As at Mar 31,2023		As at Mar 31,2022	
	Forex Working Capital Demand Loans	Trade payables	Forex Working Capital Demand Loans	Trade payables
Number of contracts	-	-	10	-
Value in foreign currency				
USD	-	-	567.36	-
EURO	-	-	-	-
Value in INR	-	-	43307	-

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates to the Group's long-term debt obligations with floating interest rates.

As at the reporting date the Group's interest – bearing financial instruments were as follows:

Rs.Lakhs

Particulars	Carrying amount	
	As at Mar 31, 2023	As at Mar 31, 2022
Fixed rate instruments		
Financial assets		
Fixed deposits with banks	34235	34720
Financial liabilities		
Unsecured Loan from related parties	23107	-
Advance from Customers	124075	105700
Variable rate instruments		
Financial liabilities		
Borrowings from banks	-	-
Working Capital Loans	161033	187846

Interest rate sensitivity

Fair value sensitivity for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group does not designate derivatives (interest rate swaps) as hedging instruments under a fair value hedge accounting model. Therefore a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity for variable rate instruments

An decrease / increase of 50 basis points in interest rates at the reporting date (31.03.2023) would have increased / (decreased) equity and profit by Rs.872 Lakhs

Commodity price risk

The Group is affected by the price volatility of certain commodities. Its operating activities require the ongoing purchase of Steel, Cement and other materials. Due to the significantly increased volatility of the price of the raw material, the Group also entered into various purchase contracts for supply of Steel, Cement & other material. However we have escalation clause with some of our clients for variation in the price of commodities.

Equity price risk

The Group's listed and non-listed securities are susceptible to market price risk arising from uncertainties about future value of the investment securities.

At the reporting date, the exposure to listed securities at fair value was Rs.126 lakhs (Rs.101 lakhs). An increase / decrease of 10% on the BSE Market index could have an impact of approximately Rs. 12.60 Lakhs (Rs. 10.10 lakhs) on the OCI or equity attributable to the Group.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

Trade receivables

Outstanding customer receivables are regularly monitored and any major export shipments to customers are generally covered by letters of credit. The maximum exposure to the credit risk at reporting date is primarily from trade receivables amounting to Rs.93026 Lakhs

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is limited as we generally invest in banks and financial institutions with high credit ratings. Other financial instruments includes primarily investment in fixed deposits.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank borrowings.

The following are the contractual maturities of financial liabilities.

Particulars	Rs.Lakhs	
	Up to 12 months	More than 12 months
Trade payables	115754	9863
Borrowings	161033	23107
Advance from Customers	124075	105700
Other financial liabilities	10099	-
Lease Liabilities	84	239

Notes to the Consolidated Financial Statements

Collateral risk

The Company has pledged its short-term deposits of Rs. 32692 lakhs to fulfil the security requirements for the contractual obligations. As at 31 March, 2023, 31 March, 2022 the fair values of the short-term deposits pledged were Rs. 32692 lakhs and Rs. 33047 lakhs respectively.

32. LEASES

The changes in carrying value ROU assets and Lease liabilities for the year ended March 31, 2023 are as follows:

Rs. Lakhs

Particulars	ROU Assets As at Mar 31,2023	Lease Liabilities As at Mar 31,2023	ROU Assets As at Mar 31,2022	Lease Liabilities As at Mar 31,2022
Opening balance	3	3	388	434
Add : Additions during the year	387	387	-	-
Add : Interest cost during the year	-	24	-	51
Less : Deletions during the year	-	-	385	-
Less : Depreciation during the year	41	-	-	-
Less : Payment of Lease Liabilities	-	84	-	482
Closing Balance	349	329	3	3

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the ROU asset, and finance cost for interest accrued on lease liability.

The lease agreements for the Group's Corporate office measuring 96,300 SFT has expired at the starting of the financial year. However the Group continues to use the said premises during the current financial year. Accordingly the said lease rentals are treated as short term leases till renewal of existing lease/entering in to new lease agreements.

Lease payments of Rs. 644 lakhs (Rs. 479 lakhs) relating to leases with a term of 12 months or less and low value leases are charged to statement of profit and loss.

33. CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Contingent liabilities		
Claims against the Group not acknowledged as debt		
a) On account of sales tax *	33567	24437
b) On account of income-tax *	3594	2981
c) On account of service tax *	36668	36668
d) On account of provident fund	521	521
e) Others * #	42153	20980
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account (net of advances)	193	181

* Excludes interest, penalty and self assessment tax paid.

Others includes cases filed against the company in MSME council, NCLT and other legal forums

34. SEGMENT INFORMATION

Primary segment information (business segments)

Rs.Lakhs

Particulars	2022-23				2021-22			
	Capital goods segment	Construction and EPC contracts segment	Inter Segment eliminations	Total	Capital goods segment	Construction and EPC contracts segment	Inter Segment eliminations	Total
a) Revenue (net)	19364	61263	-	80627	19108	102962	-	122070
b) Inter Segment sales	-	236	(236)	-	67	285	(352)	-
Total Revenue	19364	61499	(236)	80627	19175	103247	(352)	122070
b) Result	1178	(26218)	-	(25040)	(185)	10909		10724
Add: Unallocated income (net of expenditure)				538				864
Profit before interest and tax	1178	(25680)		(24502)	(185)	11773		11588
Interest	710	39232		39942	422	35441		35863
Profit before tax	468	(64912)		(64444)	(607)	(23668)		(24275)
Tax expenses								
- Current tax				1				2
- Deferred tax				(15665)				(5834)
- Tax - earlier years				-				73
- Total				(15664)				(5759)
Profit for the year				(48780)				(18516)
c) Assets	16667	466652		483319	26283	502619		528902
Add: Unallocated corporate assets				12225				7109
Total assets				495544				536011
d) Liabilities	3236	464293		467529	9084	465087		474171
Add: Unallocated corporate liabilities				23107				8134
Total liabilities				490636				482305

Notes to the Consolidated Financial Statements

Revenue of approximately INR Rs. 27379 lakhs (31.03.2022 - INR Rs.56166 lakhs) are derived from three external customers.

These revenues are attributed to the Construction and EPC contracts segment.

Reconciliations to amounts reflected in the financial statements

Rs.Lakhs

Reconciliation of profit	31-Mar-23	31-Mar-22
Segment profit	(25040)	10570
Dividend Income	1	-
Net gain on disposal of property, plant and equipment	-	223
Net gain on sale of investment	-	-
Interest Income	537	641
Profit before interest and tax	(24502)	11434

Reconciliation of assets	31-Mar-23	31-Mar-22
Segment operating assets	4,83,319	5,28,902
Investments	126	101
Deferred tax assets (net)	7,537	-
TDS receivable	4,562	7,008
Total assets	4,95,544	5,36,011

Reconciliation of liabilities	31-Mar-23	31-Mar-22
Segment operating liabilities	4,67,529	4,74,171
Non Current Borrowings	23,107	-
Deferred tax liabilities (net)	-	8,134
Total liabilities	4,90,636	4,82,305

Secondary segment information (geographic segments)

Rs.Lakhs

Particulars	Domestic		Overseas		Total	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
External revenue by location of Customers	78,261	1,18,708	2,366	3,361	80,627	1,22,070
Carrying amount of segment assets by location of assets	67,366	99,468	-	-	67,366	99,468

35. RELATED PARTY TRANSACTIONS

Ultimate Holding Company

1. BGR Investment Holdings Company Limited

Fellow Subsidiaries / Enterprises where significant influence exists and enterprises where key management personnel have significant influence

1. Accord Foundations Private Limited
2. Agro Raiment LLP
3. Ani Constructions Private Limited
4. Arjun Govin Estate Private Limited
5. BGR Aquaatech India Limited
6. BGR Eneritech Sdn. BHD.
7. BGR Estate Holdings Limited
8. BGR Neo Limited
9. BGR Odisha Powergen Limited
10. BGR Power Limited
11. BGR Tech Limited
12. Bown Granites Company Private Limited
13. Cuddalore Powergen Corporation Limited
14. Enexio Power Cooling Solutions India Private Limited
15. Frozen Tropicals Private Limited
16. Gea Bgr Energy System India Limited
17. Jayachelve Financing And Leasing Private Limited
18. Mega Funds India Limited
19. Menmai Estate Private Limited
20. Nannilam Property Private Limited
21. Pentaleo Gourments Limited Liability Partnership
22. Pentaleo Property Limited Liability Partnership
23. Pragati Computers Limited
24. Priya Estate Developers Limited
25. Progen Systems And Technologies Limited
26. Risio Care Private Limited
27. Sasikala Estate Private Limited
28. Schmitz India Private Limited
29. Schmitz Reinigungskugelm GmbH
30. Swadhika Foods LLP
31. Vaani Estate Developers Limited
32. Vaani Estates Private Limited

Key Managerial Personnel

1. Mr.Arjun Govind Raghupathy,Managing Director
2. Mrs.Swarnamugi Karthik,Director-Corporate Strategy (Resigned w.e.f 04.08.2022)
3. Mr.R.Rameshkumar ,Director-(Governance & Legal),Company Secretary & Chief Compliance Officer (Resigned w.e.f 02.01.2023)
4. Mr.P.R.Easwar Kumar,President & Chief Financial Officer

Notes to the Consolidated Financial Statements

Non Executive Directors

Mrs. Sasikala Raghupathy, Chairperson

Mr.Bohra S A, Independent Director

Mrs.Janaki C Ambat, Independent Director (Resigned w.e.f 06.01.2023)

Mr.Gopalakrishna M, Independent Director

Mr.Tagat S R, Independent Director

Mr.Gnana Rajasekaran, Independent Director

Relatives of Key Managerial Personnel

1. Mrs. Sasikala Raghupathy (Mother of Ms. Swarnamugi Karthik and Mr.Arjun Govind Raghupathy)
2. Mrs. Priyadarshini Raghupathy (Sister of Ms. Swarnamugi Karthik and Mr.Arjun Govind Raghupathy)
3. Mrs. Vaani Raghupathy (Sister of Ms. Swarnamugi Karthik and Mr.Arjun Govind Raghupathy)

(information provided in respect of revenue items for the year ended Mar 31, 2023 and in respect of assets / liabilities as at Mar 31, 2023)

Rs.Lakhs

Particulars	Ultimate Holding Company	Related parties where significant influence exists and where key management personnel have significant influence	Key Management Personnel	Relatives of Key Management Personnel	Non Executive Directors	2022-23	2021-22
Sales	-	1,882	-	-	-	1,882	1,361
Purchases	-	178	-	-	-	178	349
Remuneration							
a) Short Term Employee Benefits	-	-	175	43	-	218	331
Rent expenses	-	107	-	-	-	107	272
Others	-	-	-	25	-	25	25
Director's Sitting Fees	-	-	-	-	25	25	27
Other Obligations	-	-	-	-	-	-	-
Loans & Advances							
- Loan availed	3,107	20,000	-	-	-	23,107	-
- Loan repaid	-	-	-	-	-	-	-
Interest on Loan	24	1,204	-	-	-	1,228	-
Balances outstanding	(3,131)	(240)	(20,464)	(112)	(11)	(23,958)	727

36. IMPAIRMENT OF ASSETS

a. Cash generating units :

There is no impairment loss in cash generating units and hence no provision was made in the financial statements.

b. Other assets :

The Company has made a provision of Rs. Nil (Rs. 312 Lakhs) in the books of accounts towards impairment of other fixed assets based on the technical valuation.

37. REGISTRATION OF CHARGES OR SATISFACTION YET TO BE REGISTERED WITH REGISTRAR OF COMPANIES (ROC)

Satisfaction of Charge pending beyond the statutory period

S.No	Charge Holder Name	Rs.Lakhs	Reasons
1	STATE BANK OF INDIA	4,420	Pending NOC from Charge holder
2	AXIS BANK LIMITED	635	Pending NOC from Charge holder
3	ABN AMRO BANK	189	Pending NOC from Charge holder
4	HDFC BANK LIMITED	126	Pending NOC from Charge holder
5	ICICI BANK LIMITED	114	Pending NOC from Charge holder
	TOTAL	5,484	

38. RELATIONSHIP WITH STRUCK OFF COMPANIES

The Company has no transactions \ outstanding balances as on 31.03.2023 with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

39. PROVISIONS

- a) The company has made a provision / transfer of Rs.92 lakhs, (Rs.132 lakhs) towards warranty and contractual obligations on the products supplied / contracts executed by the company during the year. The expenses on account of provision for warranty is grouped under other expenses.

Movement in provisions

Rs.Lakhs

Particulars	Provision for Warranty	Provision for Contractual Obligations	Provision for Warranty	Provision for Contractual Obligations
	2022-23	2022-23	2021-22	2021-22
Opening balance	2368	1300	2249	1300
Add :Addition / transfers	92	2906	132	-
Less : (a) Provision utilised	-	-	(13)	-
(b) Provision reversed	(10)	-	-	-
Closing balance	2450	4206	2368	1300

40. The Consolidated financial statements for the year ending 31.03.2023, have been prepared with the unaudited financial statements of Sravanaa Properties Limited, unaudited financial statements of BGR Boilers Private Limited and unaudited financial statements of BGR Turbines Company Private Limited.

The Company while preparing consolidated financial statements for FY 2021-22, adopted the unaudited financial

Notes to the Consolidated Financial Statements

statements of BGR Boilers Private Limited for the FY 2019-20, FY 2020-21 and FY 2021-22. Subsequently, the financial statements of BGR Boilers Private Limited for the FY 2019-20 and FY 2020-21 is audited during the current year and resulted in increase of loss by Rs.980 Lakhs.

Similarly, the Company while preparing consolidated financial statements for FY 2021-22, adopted the unaudited financial statements of BGR Turbines Company Private Limited for the FY 2020-21 and FY 2021-22. Subsequently, the financial statements of BGR Turbines Company Private Limited for the FY 2020-21 and FY 2021-22 is audited during the current year and resulted in increase of loss by Rs.75 Lakhs.

The cumulative effect for both the companies, amounted to increase in loss after tax by Rs.634 Lakhs (net of Minority Interest) in consolidated financial statements for the year ending 31.03.2023.

41. (a) For the current year, the following entities were consolidated based on unaudited financials and the assets, revenues and cash flows of these entities considered in consolidated financial statements are given below.

Name of the Entity	Rs.Lakhs		
	Assets	Revenue	Cash flows
1) BGR Boilers Private Limited	47958	198	(102)
2) BGR Turbines Company Private Limited	32584	49	32
3) Sravanaa Properties Limited	13100	21	2
4) Mecon –GEA Energy System (India) Limited (JV)	247	-	-

42. The project specific working capital limits outstanding as of 31.12.2022 availed from Punjab National Bank was classified as substandard by the bank. The outstanding were repaid in full and the account was upgraded as standard by the bank as of 31.03.2023.
43. During Mar-2023, Chattisgarh State Power Generation Co Ltd (CSPGCL) (Marwa Project) demanded encashment of two BGs totalling to Rs.16337 Lakhs. The Company obtained stay on encashment of bank guarantee from the Honourable Chattisgarh High Court. The said amount is included in Contingent Liability as on 31.03.2023.

44. PREVIOUS YEAR FIGURES

Figures of previous year have been regrouped / rearranged, wherever required to conform to the current year presentation.

For and on behalf of Board of Directors

As per our report of even date
For Anand & Ponnappan
Chartered Accountants
Firm Registration No. : 000111S

SASIKALA RAGHUPATHY
Chairperson
DIN : 00490686

ARJUN GOVIND RAGHUPATHY
Managing Director
DIN : 02700864

R PONNAPPAN
Partner
Membership No.021695

S.R.TAGAT
Independent Director
DIN : 01632756

GNANA RAJASEKARAN
Independent Director
DIN : 03194244

P.R.EASWAR KUMAR
President & Chief Financial Officer

S KRISHNA KUMAR
President & Company Secretary

Chennai
May 30,2023

Notes to the Consolidated Financial Statements

Restated Consolidated Financial Statements for the year ended 31.03.2022

Rs.Lakhs

Particulars	Reported Amount Mar22	Restated Adjustments	Restated Amount Mar22
ASSETS			
I Non Current Assets			
(a) Property, plant and equipment	33450	-	33450
(b) Other Intangible assets	60	-	60
(c) Goodwill	59	-	59
(d) Financial assets			
(i) Investments	101	-	101
(ii) Trade receivables	54091	-	54091
(iii) Loans	5055	(1351)	3704
(iv) Other financial assets	8003	-	8003
(e) Deferred tax assets (net)	-	-	-
	100819	(1351)	99468
II Current Assets			
(a) Inventories	3734	118	3852
(b) Financial assets			
(i) Trade receivables	73009	-	73009
(ii) Cash and cash equivalent	27379	(1)	27378
(iii) Loans	45578	(119)	45459
(iv) Other financial assets	1024	-	1024
(c) Other current assets	284942	879	285821
	435666	877	436543
TOTAL ASSETS	536485	(474)	536011
EQUITY AND LIABILITIES			
I Equity			
(a) Equity Share Capital	7216	-	7216
(b) Other Equity	51125	(634)	50491
Equity attributable to owners of BGR Energy Systems Limited	58341	(634)	57707
II Non-Controlling Interest	(3735)	(266)	(4001)
Total Equity	54606	(900)	53706
III Liabilities			
Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	-	-	-
(ii) Lease Liability	-	-	-
(iii) Trade payables	-	-	-
Total Outstanding dues of micro enterprises and small enterprises	-	-	-
Total Outstanding dues of creditors other than micro enterprises and small enterprises	9420	-	9420
(b) Provisions	4609	9376	13985
(c) Deferred tax liabilities (net)	8134	-	8134
	22163	9376	31539
CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	187846	-	187846
(ii) Lease Liability	3	-	3
(iii) Trade payables			
Total Outstanding dues of micro enterprises and small enterprises	12551	-	12551
Total Outstanding dues of creditors other than micro enterprises and small enterprises	108845	(36079)	72766
(iv) Other financial liabilities	170	109083	109253
(b) Other Current Liabilities	149596	(81952)	67644
(c) Provisions	702	-	702
(d) Current tax liabilities (net)	3	(2)	1
	459716	(8950)	450766
Total Liabilities	481879	426	482305
TOTAL EQUITY AND LIABILITIES	536485	(474)	536011

Notes to the Consolidated Financial Statements

Restated Consolidated Financial Statements for the year ended 31.03.2022

Rs.Lakhs

Particulars		Reported Amount Mar22	Restated Adjustments	Restated Amount Mar22
I	Revenue from operations	122070	-	122070
II	Other income	864	422	1286
III	Total Income (I + II)	122934	422	123356
IV	Expenses			
(a)	Cost of raw materials and components consumed	76142	(58)	76084
(b)	Cost of manufacturing and construction	13399	-	13399
(c)	Other direct costs	4313	(3359)	954
(d)	Changes in inventories of work in progress	19	(118)	(99)
(e)	Employee benefits expenses	13563	(2)	13561
(f)	Finance costs	29036	6827	35863
(g)	Depreciation and amortization expenses	2736	-	2736
(h)	Other expenses	8155	(3022)	5133
	Total expenses (IV)	147363	268	147631
V	Profit/(Loss) before exceptional items and tax (III-IV)	(24429)	154	(24275)
VI	Exceptional items	-	-	-
VII	Profit/(Loss) before tax (V)+(VI)	(24429)	154	(24275)
VIII	Tax expenses			
(i)	Current tax	2	-	2
(ii)	Deferred tax	(5834)	-	(5834)
(iii)	Tax - Earlier years	-	73	73
	Profit/Loss for the period from continuing Operations(VII-VIII)	(18597)	81	(18516)
	Profit/Loss from discontinuing Operations	-	-	-
	Tax Expense of discontinuing operations	-	-	-
	Profit/Loss from discontinuing Operations (after Tax)	-	-	-
IX	Profit/(Loss) for the year (VII)-(VIII)	(18597)	81	(18516)
X	Other Comprehensive Income			
(i)	items that will not be reclassified to profit or loss	(2)	-	(2)
(ii)	items that will be reclassified to profit or loss	(306)	-	(306)
XI	Total Comprehensive Income for the year(IX+X)(Comprising Profit and other Comprehensive Income for the year)	(18905)	81	(18824)
	Profit or Loss attributable to:			
	Owners of BGR Energy Systems Ltd	(18359)	53	(18306)
	Non Controlling Interests	(238)	28	(210)
		(18597)	81	(18516)
	Total Comprehensive Income attributable to:			
	Owners of BGR Energy Systems Ltd	(18667)	53	(18614)
	Non Controlling Interests	(238)	28	(210)
		(18905)	81	(18824)
XII	Earnings per Equity Share (for Continuing Operation):			
	1. Basic	(25.44)	0.07	(25.37)
	2. Diluted	(25.44)	0.07	(25.37)

Notes to the Consolidated Financial Statements

Restated Consolidated Financial Statements for the year ended 31.03.2021

Rs.Lakhs

Particulars	Reported Amount Mar21	Restated Adjustments	Restated Amount Mar21
ASSETS			
I Non Current Assets			
(a) Property, plant and equipment	36816	(53)	36763
(b) Other Intangible assets	131	53	184
(c) Goodwill	59	-	59
(d) Financial assets			
(i) Investments	78	-	78
(ii) Trade receivables	53203	-	53203
(iii) Loans	8001	(1383)	6618
(iv) Other financial assets	11832	-	11832
(e) Deferred tax assets (net)	-	-	-
	110120	(1383)	108737
II Current Assets			
(a) Inventories	4711	-	4711
(b) Financial assets			
(i) Trade receivables	80759	-	80759
(ii) Cash and cash equivalent	35381	-	35381
(iii) Loans	43639	135	43774
(iv) Other financial assets	645	(8)	637
(c) Other current assets	263675	879	264554
	428810	1006	429816
TOTAL ASSETS	538930	(377)	538553
EQUITY AND LIABILITIES			
I Equity			
(a) Equity Share Capital	7216	-	7216
(b) Other Equity	69792	(687)	69105
Equity attributable to owners of BGR Energy Systems Limited	77008	(687)	76321
II Non-Controlling Interest	(3497)	(294)	(3791)
Total Equity	73511	(981)	72530
III Liabilities			
Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	-	-	-
(ii) Lease Liability	3	-	3
(iii) Trade payables			
Total Outstanding dues of micro enterprises and small enterprises	-	-	-
Total Outstanding dues of creditors other than micro enterprises and small enterprises	10906	-	10906
(b) Provisions	4510	10500	15010
(c) Deferred tax liabilities (net)	13968	-	13968
	29387	10500	39887
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	193825	-	193825
(ii) Lease Liability	431	-	431
(iii) Trade payables			
Total Outstanding dues of micro enterprises and small enterprises	13478	-	13478
Total Outstanding dues of creditors other than micro enterprises and small enterprises	113800	547	114347
(iv) Other financial liabilities	918	67682	68600
(b) Other Current Liabilities	112674	(78125)	34549
(c) Provisions	660	-	660
(d) Current tax liabilities (net)	246	-	246
	436032	(9896)	426136
Total Liabilities	465419	604	466023
TOTAL EQUITY AND LIABILITIES	538930	(377)	538553

Notes to the Consolidated Financial Statements

Restated Consolidated Financial Statements for the year ended 31.03.2021

Rs.Lakhs

Particulars	Reported Amount Mar21	Restated Adjustments	Restated Amount Mar21
I Revenue from operations	113972	-	113972
II Other income	712	27	739
III Total Income (I + II)	114684	27	114711
IV Expenses			
(a) Cost of raw materials and components consumed	67604	44	67648
(b) Cost of manufacturing and construction	25174	-	25174
(c) Other direct costs	3654	-	3654
(d) Changes in inventories of work in progress	(17)	-	(17)
(e) Employee benefits expenses	14108	(553)	13555
(f) Finance costs	26425	-	26425
(g) Depreciation and amortization expenses	3052	-	3052
(h) Other expenses	23426	(240)	23186
Total expenses (IV)	163426	(749)	162677
V Profit/(Loss) before exceptional items and tax (III-IV)	(48742)	776	(47966)
VI Exceptional items	-	-	-
VII Profit/(Loss) before tax (V)+(VI)	(48742)	776	(47966)
VIII Tax expenses			
(i) Current tax	3	1	4
(ii) Deferred tax	(11985)	-	(11985)
(iii) Tax - Earlier years	71	-	71
Profit/Loss for the period from continuing Operations(VII-VIII)	(36831)	775	(36056)
Profit/Loss from discontinuing Operations	-	-	-
Tax Expense of discontinuing operations	-	-	-
Profit/Loss from discontinuing Operations (after Tax)	-	-	-
IX Profit/(Loss) for the year (VII)-(VIII)	(36831)	775	(36056)
X Other Comprehensive Income			
(i) items that will not be reclassified to profit or loss	173	-	173
(ii) items that will be reclassified to profit or loss	(42)	-	(42)
XI Total Comprehensive Income for the year(IX+X)(Comprising Profit and other Comprehensive Income for the year)	(36700)	775	(35925)
Profit or Loss attributable to:			
Owners of BGR Energy Systems Ltd	(36448)	544	(35904)
Non Controlling Interests	(383)	231	(152)
	(36831)	775	(36056)
Total Comprehensive Income attributable to:			
Owners of BGR Energy Systems Ltd	(36317)	544	(35773)
Non Controlling Interests	(383)	231	(152)
	(36700)	775	(35925)
XII Earnings per Equity Share (for Continuing Operation):			
1. Basic	(50.51)	0.75	(49.76)
2. Diluted	(50.51)	0.75	(49.76)

Form AOC-I

(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

		Rs.Lakhs												
Sl. No.	Name of the subsidiary	Reporting period	Reporting currency	Share capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit / (Loss) before taxation	Provision for taxation	Profit / (Loss) after taxation	Proposed Dividend	% of shareholding
1	BGR Boilers Private Limited	22-23	INR	13558	(38357)	47958	47958	-	187	(911)	-	(911)	-	70%
2	BGR Turbines Company Private Limited	22-23	INR	18400	(6261)	32584	32584	-	8	(24)	-	(24)	-	74%
3	Sravanaa Properties Limited	22-23	INR	17	13060	13100	13100	-	18	7	1	6	-	100%

For and on behalf of Board of Directors

SASIKALA RAGHUPATHY
Chairperson
DIN : 00490686

S.R.TAGAT
Independent Director
DIN : 01632756

P.R.EASWAR KUMAR
President & Chief Financial Officer

ARJUN GOVIND RAGHUPATHY
Managing Director
DIN : 02700864

GNANA RAJASEKARAN
Independent Director
DIN : 03194244

S KRISHNA KUMAR
President & Company Secretary

Vide our report even date
For Anand & Ponnappan
Chartered Accountants
Firm Registration No. : 000111S

R PONNAPPAN
Partner
Membership No.021695

Chennai
May 30, 2023

Notes to the Consolidated Financial Statements

Form AOC-I

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Part "B": Associates and Joint Ventures

Rs.in Lakhs

	Name of Associates/Joint Ventures	Mecon-Gea Energy System (India) Ltd (JV)
1	Latest audited Balance Sheet Date	Mar 31, 2023
2	Shares of Associate /Joint Ventures held by the company on the year end	
	Amount of Investment in Associates/Joint Venture	
	Extend of Holding %	10% & 30% on two different construction projects
3	Description of how there is significant influence	
4	Reason why the associate/joint venture is not consolidated	Consolidated
5	Net worth attributable to Shareholding as per latest audited Balance Sheet	
6	Profit / (Loss) for the year	Rs. (0.21) Lakhs
	i. Considered in Consolidation	Rs. (0.21) Lakhs
	ii. Not Considered in Consolidation	Rs. Nil

For and on behalf of Board of Directors

As per our report of even date
For Anand & Ponnappan
Chartered Accountants
Firm Registration No. : 000111S

SASIKALA RAGHUPATHY
Chairperson
DIN : 00490686

ARJUN GOVIND RAGHUPATHY
Managing Director
DIN : 02700864

R PONNAPPAN
Partner
Membership No.021695

S.R.TAGAT
Independent Director
DIN : 01632756

GNANA RAJASEKARAN
Independent Director
DIN : 03194244

P.R.EASWAR KUMAR
President & Chief Financial Officer

S KRISHNA KUMAR
President & Company Secretary

Chennai
May 30, 2023



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ENERGY . . .**



