



## **SukumarBabu& Co.**

Chartered Accountants

*Plot No. 72, Vemireddy Enclave*

*Road 12, Banjara Hills, Hyderabad, 500034*

*Cell+91 939103575*

*E-Mail: Sukumarbabauandco@hotmail.com*

### **INDEPENDENT AUDITOR'S REPORT**

**To the Members of M/s. Asara Constructions & Projects Private Limited**

#### **Report on the Ind AS Financial Statements**

We have audited the Ind AS financial statements of **Asara Constructions & Projects Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information for the year ended on that date.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and profit, changes in equity and its cash flows for the year ended on that date.

#### **Basis for Opinion**

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

#### **Information Other than the Ind AS Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibility for the Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows 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 Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibilities for the Audit of the Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to the 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 Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

#### **Report on Other Legal and Regulatory Requirements**

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 and 4 of the Order, to the extent applicable.

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

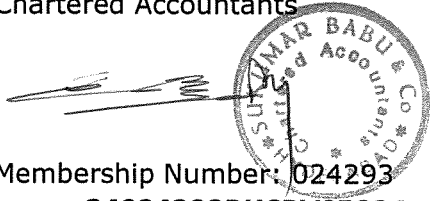
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015.
- e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with 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, no remuneration has been paid by the Company to its Directors during the year so the provisions of section 197 of the Act are not applicable.
- 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 Ind AS financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there are any material foreseeable losses
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
  
(b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

- v. The Company has not declared or paid any dividend during the year.
- vi. As per information and explanations given and based on our examination, which include test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all the transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For Sukumar Babu & Co.,  
FRN: 021534S  
Chartered Accountants



Membership Number: 024293  
UDIN: **24024293BKCPVS5034**

Place: Hyderabad  
Date: May 27, 2024.

## ANNEXURE - A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in our Report of even date)

1. (a) (A) The company is maintaining proper records showing full particulars, including quantitative details and situation with respect to its property, plant and equipment.  
  
(B) The company has no intangible assets.  
  
(b) The property, plant and equipment of the company have been physically verified by the management at regular intervals and no material discrepancies have been noticed on such verification during the year.  
  
(c) The title deeds of immovable property shown in the Financial Statements are held in the name of the Company as on 31-03-2024.  
  
(d) The company has not revalued any of its Property, Plant & Equipment and Intangible assets during the year.  
  
(e) According to the information and explanations provided to us and on the basis of our examination of the records of the company, we report that no proceedings have been initiated during the year or are pending against the company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
2. (a) The Company is engaged in the business of infrastructure development and maintenance and hence clause 3 (ii)(a) of the Companies (Auditor's Report) Order 2020 relating to inventory is not applicable.  
  
(b) The Company has not availed working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets at any point of time of the year and hence clause 3 (ii)(b) of the Companies (Auditor's Report) Order 2020 is not applicable.
3. During the year, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.
4. The Company has not entered into any transaction in respect of loans, investments, guarantees and securities, which attracts provisions of section 185 and 186 of the Companies Act, 2013. Hence, the clause 3(iv) of the Companies (Auditor's Report) order 2020 is not applicable to the Company.

5. The Company has not accepted deposits or amounts which are deemed to be deposits and hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules made thereunder are not applicable to the Company.
6. The Central Government has not prescribed the maintenance of Cost records under sub-section (1) of section 148 of the Companies Act in respect of activities carried out by the Company.
7.
  - a. the company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities.
  - b. According to the information and explanations given to us, there were no statutory dues pending in respect of income tax, GST, customs duty, cess and any other statutory dues which have not been deposited on account of dispute.
8. According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
9.
  - (a) As on the last day of the Financial year, the Company has not raised any loans and hence clause 3 (ix)(c) of the Companies (Auditor's Report) Order 2020 related to default in repayment of loans or other borrowings or in the payment of interest thereon to any lender not applicable.
  - (b) According to the information and explanations given to us, the Company is not a declared willful defaulter by any bank or financial institution or other lender;
  - (c) During the year, the Company has not obtained term loans from any bank or financial institution and hence clause 3 (ix)(c) of the Companies (Auditor's Report) Order 2020 is not applicable.
  - (d) During the year, the Company has not raised any funds on short term basis and hence clause 3 (ix)(d) of the Companies (Auditor's Report) Order 2020 is not applicable.
  - (e) According to the information and explanations given to us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures and hence clause 3 (ix)(e) of the Companies (Auditor's Report) Order 2020 is not applicable.
  - (f) According to the information and explanations given to us, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and hence clause 3 (ix)(f) of the Companies (Auditor's Report) Order 2020 is not applicable.

10. (a) According to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including Debt instruments) during the year and hence clause 3 (x)(a) of the Companies (Auditor's Report) Order 2020 is not applicable.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally) during the year and hence clause 3 (x)(b) of the Companies (Auditor's Report) Order 2020 is not applicable.
11. (a) Based on the information and explanations given to us, no material fraud by the Company or any fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT- 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) Based on the information and explanations given to us, there are no whistle-blower complaints received during the year by the Company.
12. The Company is not a Nidhi Company and hence clause 3 (xii) of the Companies (Auditor's Report) Order 2020 is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act where applicable and the details have been disclosed in the financial statements, as required by the applicable accounting standards.
14. In our opinion, and based on our examination, the Company does not have an internal audit system and is not required to have an internal audit system as per the provisions of the Companies Act 2013.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Hence, clause 3(xv) of the Companies (Auditor's Report) Order 2020 is not applicable.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and hence clause 3 (xvi) of the Companies (Auditor's Report) Order 2020 is not applicable.



17. The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.
18. There has been no resignation of the statutory auditors during the year and hence clause 3 (xviii) of the Companies (Auditor's Report) Order 2020 is not applicable.
19. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
20. Based on our examination of the records of the Company, the provisions of Section 135 of the Companies Act, 2013 is not applicable to the Company and hence clause 3 (xx) of the Companies (Auditor's Report) Order 2020 is not applicable.
21. As the Company does not have any Subsidiaries, Associates or Joint Ventures, clause 3 (xxi) of the Companies (Auditor's Report) Order 2020 is not applicable.

For Sukumar Babu & Co.,  
FRN: 021534S  
Chartered Accountants

  
Membership Number: 024293  
UDIN: **24024293BKCPVS5034**

Place: Hyderabad  
Date: May 27, 2027.

## **ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT**

**(Referred to in our Report of even date)**

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

We have audited the internal financial controls over financial reporting of **Asara Constructions & Projects Private Limited** ("the Company") as of March 31, 2024 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditors' Responsibility**

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

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

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

### **Meaning of Internal Financial Controls over Financial Reporting**

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

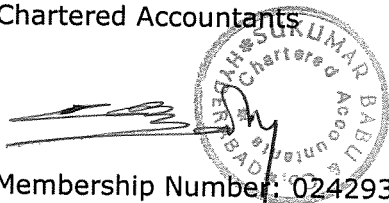
### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

## Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, 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 Sukumar Babu & Co.,  
FRN: 021534S  
Chartered Accountants

A circular stamp with the text "SUKUMAR BABU & Co. Chartered Accountants Hyderabad" is overlaid on a handwritten signature.

Membership Number: 024293  
UDIN: **24024293BKCPVS5034**

Place: Hyderabad  
Date: May 27, 2024.

**Asara Constructions & Projects Private Limited**  
**Balance Sheet as at March 31, 2024**

(Rs.In Lakhs)


Particulars	Note	As at March 31, 2024	As at March 31, 2023
<b>I ASSETS</b>			
<b>1) Non-current Assets</b>			
Investment property	3	1,449.18	1,034.35
Other Non Current Asset	4	50.00	50.00
<b>Total Non-Current Assets</b>		<b>1,499.18</b>	<b>1,084.35</b>
<b>2) Current Assets</b>			
Financial assets			
Cash and cash equivalents	5	0.67	0.67
<b>Total Current Assets</b>		<b>0.67</b>	<b>0.67</b>
<b>TOTAL ASSETS</b>		<b>1,499.85</b>	<b>1,085.02</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
a) Equity Share capital	6	1.00	1.00
b) Instruments entirely equity in nature	6.5	980.88	980.88
c) Other equity	7	(28.44)	(19.61)
<b>Total Equity</b>		<b>953.44</b>	<b>962.27</b>
<b>Liabilities</b>			
<b>1) Non-current Liabilities</b>			
Financial liabilities			
Borrowings	8	106.44	97.83
<b>Total Non-Current Liabilities</b>		<b>106.44</b>	<b>97.83</b>
<b>2) Current Liabilities</b>			
Financial liabilities			
Other financial liabilities	9	439.97	24.92
<b>Total Current Liabilities</b>		<b>439.97</b>	<b>24.92</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,499.85</b>	<b>1,085.02</b>

Corporate information and Significant accounting policies 1 & 2


See accompanying notes forming part of the financial statements  
As per our report of even date attached

**For Sukumar Babu & Co.,**  
Chartered Accountants  
(Firm's Registration No. 021534S)

**For and on behalf of the Board**

  
**C. Sukumar Babu**  
Partner  
Membership No: 024293  
UDIN: 240242930kcpvs 5034  
Place : Hyderabad  
Date : 27-05-2024

  
**V. Venu Gopal Reddy**  
Director  
DIN No: 08089571

  
**K. Yashoda**  
Director  
DIN No: 05157487

**Asara Constructions & Projects Private Limited**  
Statement of Profit and Loss for year ended March 31, 2024

(Rs.In Lakhs)

Particulars	Note	Year ended March 31, 2024	Year ended March 31, 2023
		Audited	Audited
<b>I</b> Revenue from Operations		-	-
<b>II</b> Other income		-	-
<b>III Total Revenue (I + II)</b>		-	-
<b>IV Expenses</b>			
Finance costs	10	8.61	7.89
Other expenses	11	0.22	0.26
<b>Total expenses (IV)</b>		<b>8.83</b>	<b>8.15</b>
<b>V Profit before exceptional items and tax (III - IV)</b>		<b>(8.83)</b>	<b>(8.15)</b>
<b>VI</b> Exceptional items		-	-
<b>VII Profit/(Loss) before tax (V - VI)</b>		<b>(8.83)</b>	<b>(8.15)</b>
<b>VIII Tax expense</b>			
1) Current tax		-	-
2) Deferred tax		-	-
		-	-
<b>IX Profit (Loss) for the year (IX +XII)</b>		<b>(8.83)</b>	<b>(8.15)</b>
<b>X Other Comprehensive Income</b>			
a) Items that will not be reclassified to profit or loss		-	-
b) Items that will be reclassified to profit or loss		-	-
<b>XI Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit(Loss) and Other Comprehensive Income for the period)</b>		<b>(8.83)</b>	<b>(8.15)</b>
<b>XII Earnings per equity share(In Rs.)</b>			
1) Basic	17	(88.29)	(81.54)
2) Diluted		(88.29)	(81.54)



Corporate information and Significant accounting 1 & 2


See accompanying notes forming part of the financial statements

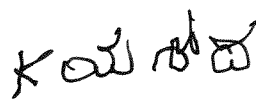
As per our report of even date attached

**For Sukumar Babu & Co.,**  
Chartered Accountants  
(Firm's Registration No. 021534S)

**For and on behalf of the Board**

  
  
**C. Sukumar Babu**  
Partner  
Membership No: 024293  
UDIN: 24024293BKCQVSSD34  
Place : Hyderabad  
Date : 27-05-2024

  
**V. Venu Gopal Reddy**  
Director  
DIN No: 08089571

  
**K. Yashoda**  
Director  
DIN No: 05157487

**Asara Constructions & Projects Private Limited**

**Cash Flow Statement for the year ended March 31, 2024**

(Rs.In Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>A) Cash flow from Operating Activities</b>		
Profit before tax	(8.83)	(8.15)
<b>Adjustments for:</b>		
Interest Expense on Fair Value of interest free loans	8.61	7.89
Operating profit before working capital changes	<b>(0.22)</b>	<b>(0.26)</b>
Changes in working capital:		
Increase/(Decrease) in Trade and other Payables	415.05	0.26
<b>Cash generated/ (used) from Operations</b>	<b>414.83</b>	<b>(0.00)</b>
Income Taxes (paid) / Refunds	-	-
<b>Net Cash flows from / (used in) Operating Activities- (A)</b>	<b>414.83</b>	<b>(0.00)</b>
<b>B) Cash flow from Investing Activities</b>		
Purchase of property, plant and equipment	(414.83)	-
Proceeds from sale of property, plant and equipment	-	-
Loans/Advances to others Received/(Repaid)	-	-
<b>Net Cash flows from / (used in) Investing Activities- (B)</b>	<b>(414.83)</b>	<b>-</b>
<b>C) Cash flow from Financing Activities</b>		
Long term borrowings Received/(Repaid)	-	-
Instrument entirely equity in nature	-	-
<b>Net Cash Flows from / (used in) Financing Activities- (C)</b>	<b>-</b>	<b>-</b>
<b>Net increase/(decrease) in cash and cash equivalents - (A+B+C)</b>	<b>(0.00)</b>	<b>(0.00)</b>
Cash & Cash Equivalents at the beginning of the year	0.67	0.67
Cash & Cash Equivalents as at end of the year	0.67	0.67

**Note:**

1 Cash & Cash equivalents includes:

Cash in Hand	0.67	0.67
Bank Balance -Current Account	-	-

- 2 The Cash flow statement is prepared in accordance with the Indirect Method stated in Ind-AS7 on Cash Flow Statements and presents the cash flows by operating, investing and financing activities.  
 3 Previous year's figures have been regrouped, wherever necessary.  
 4 Figures in brackets represent cash outflows.

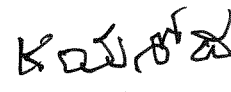
**For Sukumar Babu & Co.,**  
Chartered Accountants  
(Firm's Registration No. 021534S)

**For and on behalf of the Board**

**C.Sukumar Babu**  
Partner  
Membership No: 024293  
UDIN: 24024293BKCPV85034  
Place : Hyderabad  
Date : 27-05-2024



  
**V. Venu Gopal Reddy**  
Director  
DIN No: 08089571

  
**K. Yashoda**  
Director  
DIN No: 05157487

**Asara Constructions & Projects Private Limited**  
**Statement of Changes in Equity for the Year ended March 31, 2024**  
**A - Equity Share Capital**

Particulars	Number of Shares	Amount in Lakhs
<b>Balance as at April 01, 2022</b>	10,000	1.00
Changes in Equity Share Capital due to prior period errors		
Restated balance at the beginning of the current reporting period		
Changes in equity share capital during the year	-	-
<b>Balance as at March 31, 2023</b>	<b>10,000</b>	<b>1.00</b>
<b>Balance as at April 01, 2023</b>	10,000	1.00
Changes in Equity Share Capital due to prior period errors		
Restated balance at the beginning of the current reporting period		
Changes in equity share capital during the year	-	-
<b>Balance as at March 31, 2024</b>	<b>10,000</b>	<b>1.00</b>

**B - Instrument entirely equity in Nature**

(Rs. In Lakhs)

	Loan from Holding Company
<b>At 1 April, 2022</b>	980.88
Addition during the year	-
<b>At 31 March, 2023</b>	<b>980.88</b>
<b>At 1 April, 2023</b>	980.88
Addition during the year	-
<b>At 31 March, 2024</b>	<b>980.88</b>

**C - Other Equity**

(Rs. In Lakhs)

Particulars	Reserves and Surplus	Items of other comprehensive income/(loss)	Total
	Surplus in the statement of profit and loss	Other items of Other Comprehensive Income	
<b>Balance as at April 01, 2022</b>	(11.46)	-	(11.46)
Total Comprehensive Income for the Year	(8.15)	-	(8.15)
<b>Balance as at March 31, 2023</b>	<b>(19.61)</b>	-	<b>(19.61)</b>
<b>Balance as at April 01, 2023</b>	(19.61)	-	(19.61)
Total Comprehensive Income for the Year	(8.83)	-	(8.83)
<b>Balance as at March 31, 2024</b>	<b>(28.44)</b>	-	<b>(28.44)</b>

See accompanying notes forming part of the financial statements

As per our report of even date attached

**For Sukumar Babu & Co.,**

Chartered Accountants

(Firm's Registration No. 021534S)

**For and on behalf of the Board**

**C.Sukumar Babu**

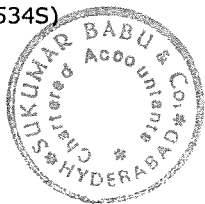
Partner

Membership No: 024293

UDIN: 24024293BKCPVS5034

Place : Hyderabad

Date : 27-05-2024



**V. Venu Gopal Reddy**

Director

DIN No: 08089571

**K. Yashoda**

Director

DIN No: 05157487



**ASARA Constructions & Projects Private Limited**  
**Notes forming part of the financial statements**

**1. Corporate Information:**

The company has been incorporated in December 26, 2007 as a private limited company and its registered office at KNR House, 3rd Floor Plot No. 114, Phase-I, Kavuri Hills Hyderabad. This company is subsidiary of KNRC Holdings and Investments Private Limited and ultimate holding company is KNR Constructions Limited.

**2. Significant Accounting Policies**

**2.1 Statement of Compliance**

These financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

**2.2 Functional and presentation currency**

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been presented in Rs. unless otherwise indicated.

**2.3 Basis of Preparation & Presentation**

These 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 Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

**2.4 Current and non-current classification**

All the assets and liabilities have been classified as current or non-current, wherever applicable, as per the operating cycle of the Company as per Schedule III to the Act.

**2.5 Fair Value Measurement**

The company measures certain financial instruments and other items in its financial statements at fair value at each balance sheet date.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within fair value hierarchy based on the low level of input that is significant to the fair value measurement as a whole:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2 – Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (observable inputs).

Level 3 – Inputs for the assets and liabilities 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 categorized 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 recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

**2.6 Investment property**

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with the Ind AS 16's requirement for cost model.

## **ASARA Constructions & Projects Private Limited**

### **Notes forming part of the financial statements**

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no further economic benefits expected from disposal. Any gain or loss arising on derecognition of the property is included in profit or loss in the period in which the property is derecognized.

#### **2.7 Financial instruments**

##### **i. Classification and subsequent measurement**

###### **Financial assets**

Financial asset is

- Cash / Equity Instrument of another Entity,
- Contractual right to –
  - a) Receive Cash / another Financial Asset from another Entity, or
  - b) Exchange Financial Assets or Financial Liabilities with another Entity under conditions those are potentially favorable to the Entity.

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

- Amortized cost;
- 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.

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

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

###### **Financial liabilities**

Financial liability is Contractual Obligation to

- deliver Cash or another Financial Asset to another Entity, or
- exchange Financial Assets or Financial Liabilities with another Entity under conditions that are potentially unfavorable to the Entity

Financial liabilities are classified as measured at amortized 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. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on de-recognition is also recognized in profit or loss.

##### **ii. De-recognition**

###### **Financial assets**

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks 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.

###### **Financial liabilities**

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

# **ASARA Constructions & Projects Private Limited**

## **Notes forming part of the financial statements**

### **iii. Impairment**

#### **Impairment of financial instruments**

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are measured at amortized cost
- Trade receivables

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component. The application of simplified approach does not require the company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition

#### **Impairment of non-financial assets**

The Company's non-financial assets, other than deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognized, if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss. Impairment loss recognized in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

### **2.8 Cash and cash equivalents**

Cash and bank balances are considered as cash and cash equivalents.

### **2.9 Provisions**

Provisions are recognised only when:

- a) An entity has a present obligation (legal or constructive) as a result of a past event
- b) It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- c) A reliable estimate can be made of the amount of the obligation.

Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

### **2.10 Contingent liability, Contingent Assets and Commitments**

Contingent liability is disclosed in case of

- a) A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation
- b) A present obligation arising from past events, when no reliable estimate is possible.

Contingent assets are disclosed where an inflow of economic benefits is probable.

Commitments are future liabilities for contractual expenditure. Commitments are classified and disclosed as follows:

## **ASARA Constructions & Projects Private Limited**

### **Notes forming part of the financial statements**

- a) Estimated amount of contracts remaining to be executed on capital account and not provided for
  - b) Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.
  - c) Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.
- Contingent liabilities, Contingent assets and Commitments are reviewed at each Balance Sheet date.

#### **2.11 Revenue recognition**

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, revenue from contracts with customers, mandatory for reporting period beginning on or after April 1, 2018 replaced existing revenue recognition requirements i.e. Ind AS 18 Revenue Recognition and Ind AS 11 Construction Contracts. There were no significant adjustments required to the retained earnings as on April 1, 2018.

To recognize revenue, the Company applies the following five step approach:

- (1) Identify the contract with a customer
- (2) Identify the performance obligations in the contract
- (3) Determine the transaction price
- (4) Allocate the transaction price to the performance obligation in the contract, and
- (5) Recognize revenue when a performance obligation is satisfied.

#### **Other Income**

**Interest income:** Finance income is accrued on a time proportion basis, by reference to the principal outstanding and the applicable Effective interest rate (EIR). Other income is accounted for on accrual basis. Where the receipt of income is uncertain, it is accounted for on receipt basis.

**Other Items of Income:** Other items of income are accounted as and when the right to receive arises and it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably.

#### **2.12 Cash Flow Statement**

The Cash flow statement is prepared in accordance with Ind AS 7 by using indirect method by segregating as cash flows from operating, investing and financing activities. Under the Cash flow from operating activities, the net profit is adjusted for the effects of Non-cash items, Changes in working capital and other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) are reflected as such in the Cash Flow Statement. Those amounts which are not considered in cash and cash equivalents as on the date of Balance Sheet are included in investing activities.

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition).

#### **2.13 Earnings per share**

##### **a) Basic Earnings per share**

A basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company
- 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 share.

##### **b) Diluted earnings per share**

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

## **ASARA Constructions & Projects Private Limited**

### **Notes forming part of the financial statements**

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

#### **2.14 Borrowing Costs**

Borrowing costs include interest expense calculated using the effective interest method. Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

#### **2.15 Key accounting estimates and judgments**

The preparation of these financial statements in conformity with Ind AS requires the management to make estimates and assumptions considered in the reported amounts of assets, liabilities (including contingent liabilities), income and expenses. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are Known / materialize. Estimates include the property plant and equipment, inventory; future obligations in respect of retirement benefit plans, provisions, fair value measurement and taxes etc.

#### **Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgments and assumptions.

**Asara Constructions & Projects Private Limited****Notes forming part of the financial statements****3 Investment Property**

(Rs.In Lakhs)

<b>Particulars</b>	<b>Land - Free Hold</b>	<b>Total</b>
<b>Cost or Deemed cost</b>		
As at April 01, 2022	1,034.35	<b>1,034.35</b>
Additions	-	-
Disposals/ Adjustments	-	-
<b>As at March 31, 2023</b>	<b>1,034.35</b>	<b>1,034.35</b>
<b>Accumulated Depreciation</b>		
As at April 01, 2022	-	-
Charge for the period	-	-
Disposals/ Adjustments	-	-
<b>As at March 31, 2023</b>	<b>-</b>	<b>-</b>
<b>Net block</b>		
<b>As at March 31, 2023</b>	<b>1,034.35</b>	<b>1,034.35</b>
As at March 31, 2022	1,034.35	1,034.35
<b>Cost or Deemed cost</b>		
As at April 01, 2023	1,034.35	1,034.35
Additions	414.83	<b>414.83</b>
Disposals/ Adjustments	-	-
<b>As at March 31, 2024</b>	<b>1,449.18</b>	<b>1,449.18</b>
<b>Accumulated Depreciation</b>		
As at April 01, 2023	-	-
Charge for the period	-	-
Disposals/ Adjustments	-	-
<b>As at March 31, 2024</b>	<b>-</b>	<b>-</b>
<b>Net block</b>		
<b>As at March 31, 2024</b>	<b>1,449.18</b>	<b>1,449.18</b>
As at March 31, 2023	1,034.35	1,034.35

**Asara Constructions & Projects Private Limited**  
Notes forming part of the financial statements

**4 Other Non Current Assets**

(Rs.In Lakhs)		
As at		
	March 31, 2024	March 31, 2023
Capital Advances	50.00	50.00
<b>Total</b>	<b>50.00</b>	<b>50.00</b>

**5 Cash and Cash Equivalents**

(Rs.In Lakhs)		
As at		
	March 31, 2024	March 31, 2023
Cash on hand	0.67	0.67
<b>Total</b>	<b>0.67</b>	<b>0.67</b>

**6 Equity Share Capital**

(Rs.In Lakhs)		
As at		
	March 31, 2024	March 31, 2023
<b>Authorised Share capital</b> 10,000 Equity Shares of Rs. 10/- each	1.00	1.00
<b>Issued, subscribed &amp; fully paid share capital</b> 10,000 Equity Shares of Rs. 10/- each (Wholly Owned subsidiary of KNRC Holdings and Investments Private Limited)	1.00	1.00
<b>Total</b>	<b>1.00</b>	<b>1.00</b>

**6.1 The reconciliation of the number of shares outstanding**

	March 31, 2024		March 31, 2023	
	No. of Shares	(Rs.In Lakhs)	No. of Shares	(Rs.In Lakhs)
Number of Equity Shares at the beginning	10,000.00	1.00	10,000.00	1.00
Add:- Number of Shares Issued	-	-	-	-
Less: Number of Shares Bought Back	-	-	-	-
Number of Equity Shares at the end of the year	<b>10,000.00</b>	<b>1.00</b>	<b>10,000.00</b>	<b>1.00</b>

6.2 The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/- . Each holder of equity shares is

6.3 The details of shareholder holding more than 5% shares as at March 31, 2024 and March 31, 2023 is set out below:

Name of the shareholder	March 31, 2024		March 31, 2023	
	No. of Shares	% held	No. of Shares	% held
KNRC Holdings and Investments Pvt. Ltd.,	10,000.00	100%	10,000.00	100%

**6.4 The shareholding pattern of promoters at the end of the year**

Name of the shareholder	March 31, 2024			March 31, 2023		
	No. of Shares	% Of Total Shares	% Change during the year	No. of Shares	% Of Total Shares	% Change during the year
KNR Constructions Limited & its nominees	10,000.00	100%	-	10,000.00	100%	-
	<b>10,000.00</b>	<b>100%</b>	<b>-</b>	<b>10,000.00</b>	<b>100%</b>	<b>-</b>

**6.5 Instruments entirely equity in nature**

(Rs.In Lakhs)		
As at		
	March 31, 2024	March 31, 2023
Loan from Holding Company	980.88	980.88
<b>Total</b>	<b>980.88</b>	<b>980.88</b>

**7 Other Equity**

(Rs.In Lakhs)		
As at		
	March 31, 2024	March 31, 2023
Surplus in the statement of profit and loss		
Balance at the beginning of the period	(19.61)	(11.46)
Add: (Loss)/ Profit for the period	(8.83)	(8.15)
	<b>(28.44)</b>	<b>(19.61)</b>

**8 Borrowings**

(Rs.In Lakhs)		
As at		
	March 31, 2024	March 31, 2023
<b>Non-current</b>		
<b>Unsecured loans</b>		
From related parties - KNRC Holding & Investment pvt ltd(Refer note: 18)	106.44	97.83
<b>Total</b>	<b>106.44</b>	<b>97.83</b>

Note : Intercompany loans to related parties carried at fair value(Amortized Cost) as per Ind AS

**9 Other Financial Liabilities**

(Rs.In Lakhs)		
As at		
	March 31, 2024	March 31, 2023
<b>Current</b>		
Advance Received From Related Parties	439.81	24.77
Outstanding Expenses	0.16	0.15
<b>Total</b>	<b>439.97</b>	<b>24.92</b>

**Asara Constructions & Projects Private Limited****Notes forming part of the financial statements****10 Finance Costs**

(Rs.In Lakhs)

	<b>Year ended March 31, 2024</b>	<b>Year ended March 31, 2023</b>
Interest Expense on Fair Value of interest free loans	8.61	7.89
<b>Total</b>	<b>8.61</b>	<b>7.89</b>

**11 Other Expenses**

(Rs.In Lakhs)

	<b>Year ended March 31, 2024</b>	<b>Year ended March 31, 2023</b>
Filing Fees	0.01	0.01
Audit Fee	0.17	0.17
Professional Fee	0.04	0.08
<b>Total</b>	<b>0.22</b>	<b>0.26</b>



**Asara Constructions & Projects Private Limited**  
**Notes to the financial statements**

**12 Capital management**

The Company's policy is to maintain a strong capital base so as to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and for the future development of the Company. In order to maintain or achieve an optimal capital structure, the Company may adjust the amount of dividend payment, return on capital to shareholders or issue of new shares.

**13 Financial instruments - Fair values and risk management**

**A. Accounting classifications and fair values**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

<b>March 31, 2024</b>				<b>(Rs. In Lakhs)</b>			
<b>Particulars</b>	<b>Carrying amount</b>			<b>Fair Value</b>			
	<b>FVTPL</b>	<b>Amortised Cost</b>	<b>Total carrying amount</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Financial assets</b>							
Cash and cash equivalents	-	0.67	0.67	-	-	-	-
	-	<b>0.67</b>	<b>0.67</b>	-	-	-	-
<b>Financial liabilities</b>							
Unsecured loans	-	106.44	106.44	-	-	106.44	106.44
Other financial liabilities	-	439.97	439.97	-	-	439.97	439.97
	-	<b>546.41</b>	<b>546.41</b>	-	-	<b>546.41</b>	<b>546.41</b>

The management assessed the financial assets and liabilities measured at amortised cost are approximate to the fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

<b>March 31, 2023</b>				<b>(Rs. In Lakhs)</b>			
<b>Particulars</b>	<b>Carrying amount</b>			<b>Fair Value</b>			
	<b>FVTPL</b>	<b>Amortised Cost</b>	<b>Total carrying amount</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Financial assets</b>							
Cash and cash equivalents	-	0.67	0.67	-	-	-	-
	-	<b>0.67</b>	<b>0.67</b>	-	-	-	-
<b>Financial liabilities</b>							
Unsecured loans	-	97.83	97.83	-	-	97.83	97.83
Other financial liabilities	-	24.92	24.92	-	-	24.92	24.92
	-	<b>122.75</b>	<b>122.75</b>	-	-	<b>122.75</b>	<b>122.75</b>

The management assessed the financial assets and liabilities measured at amortised cost are approximate to the fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

**13 Financial instruments - Fair values and risk management (Contd..)**

**B. Financial risk management**

The Company has exposure to the following risks arising from financial instruments:

- a) credit risk
- b) liquidity risk
- c) market risk

The company's focus is to estimate a vulnerability of financial risk and to address the issue to minimize the potential adverse effects of its financial performance.

**a) Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers; loans and investments in debt securities.

The Company is not exposed to Credit risk as it don't have any trade receivables and loans and Investments.

**b) 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 approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company uses activity-based costing to cost its products and services, which assists it in monitoring cash flow requirements and optimising its cash return on investments.

**Exposure to liquidity risk**

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements.

**As at March 31, 2024**

(Rs. In Lakhs)

Particulars	Contractual Cash flows				Total
	Carrying Amount	Upto 1 year	1 to 3 Years	More than 3 years	
<b>Non-derivative financial liabilities</b>					
Un Secured loans	106.44	-	-	106.44	106.44
Other financial liabilities	439.97	0.16	-	439.81	439.97
	<b>546.41</b>	<b>0.16</b>	<b>-</b>	<b>546.25</b>	<b>546.41</b>

**As at March 31, 2023**

(Rs. In Lakhs)

Particulars	Contractual Cash flows				Total
	Carrying Amount	Upto 1 year	1 to 3 Years	More than 3 years	
<b>Non-derivative financial liabilities</b>					
Un Secured loans	97.83	-	-	97.83	97.83
Other financial liabilities	24.92	0.15	-	24.77	24.92
	<b>122.75</b>	<b>0.15</b>	<b>-</b>	<b>122.60</b>	<b>122.75</b>

**c) Market risk**

Market risk is the risk that changes in market prices - such as foreign exchange rates, interest rates and equity prices - will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

**i) Foreign currency risk**

Foreign Currency risk is the risk that fair value or future cash flow of a financial instrument will fluctuate because of changes in foreign exchange rate.

The Company is not exposed to foreign currency risk as it has no borrowing or no material payables in foreign currency

**ii) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company is not exposed to Interest rate risk as it has no variable interest bearing borrowings.

**iii) Price risk**

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk).The Company is not exposed to Price risk as it has no investments.

**ASARA Constructions & Projects Private Limited**  
**Notes forming part of the financial statements**

**14. Contingent Liability and Commitments: Nil**

**15. Segment Reporting**

There are no reportable segments under Ind AS 108

**16. Auditor's remuneration charged to the accounts:**

Particulars	(Rs. In Lakhs)	
	Year ended March 31, 2024	Year Ended March 31, 2023
Audit fees	0.17	0.17

**17. Disclosure pursuant to Ind AS 33 "Earnings Per Share(EPS)"**

Particulars	(Rs. In Lakhs)	
	March 31, 2024	March 31, 2023
i. Profit (loss) attributable to equity shareholders(basic)	(8.83)	(8.15)
ii. Weighted average number of equity shares (basic)	0.1	0.1
<b>Basic EPS</b>	<b>(88.29)</b>	<b>(81.54)</b>
i. Profit (loss) attributable to equity shareholders(diluted)	(8.83)	(8.15)
ii. Weighted average number of equity shares (diluted)	0.1	0.1
<b>Diluted EPS</b>	<b>(88.29)</b>	<b>(81.54)</b>

**18. As per Ind AS 24, "Related Party Disclosure" issued by the Institute of Chartered Accountants of India, the disclosures of transactions with the Related Parties as defined in the Accounting Standard are as follows:**

**A. List of related parties and relationships:**

S. No.	Name of the related party	Nature of relationship
1	KNRC Holdings and Investments Pvt. Ltd.,	Holding Company
2	KNR Constructions Limited	Ultimate Holding Company
3	Patel KNR JV	Joint venture of Ultimate Holding company
4	Mr. V. Venu Gopal Reddy	Director
5	Mrs. K. Yashoda	Director

**B. Transactions with related parties during the year ended**

Name of the related party	Nature of transactions	(Rs. In Lakhs)	
		March 31,2024	March 31,2023
KNRC Holdings and Investments Pvt. Ltd.,	Advance received/(repaid)	415.04	0.25
	Unsecured loan received/(repaid)	-	-
	Instrument entirely equity in nature	-	-
	Interest expense on Unsecured loan	8.61	7.89

**ASARA Constructions & Projects Private Limited**  
**Notes forming part of the financial statements**

**C. Balances outstanding**

		(Rs. In Lakhs)	
Name of the related party	Nature transactions	March 31, 2024	March 31, 2023
KNRC Holdings and Investments Pvt. Ltd.	Equity Capital	1.00	1.00
	Instrument entirely equity in nature	980.88	980.88
	Advance received	439.81	24.77
	Unsecured loan	106.44	97.83
Patel KNR JV	Advance paid	50.00	50.00

**19. Reconciliation between the Opening and Closing balances in the financial statement for Financial Liabilities and Assets arising from Financial Activities (Ind AS – 7)**

(Rs. In Lakhs)

Particulars	Long Term Borrowings	Instrument entirely equity in nature
<b>Opening Balance</b>	<b>97.83</b>	<b>980.88</b>
Cash flows		
- Received	-	-
- Repayment	-	-
Non-Cash items	8.61	-
<b>Closing Balance</b>	<b>106.44</b>	<b>980.88</b>

**20. Approval of Financial Statements**

The financial statements were approved for issue by the Board of Directors on May 27, 2024

**21. Due to Micro, Small and Medium Enterprises**

There has been no claimed transaction during the period with MICRO, Small and Medium Enterprises covered under the MICRO, Small and Medium Enterprises Development Act. (MSMED Act, 2006) Hence, reporting details of principal and interest does not arise.

**22.** The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

**23.** The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

**24.** The Company does not have any transactions with struck-off companies.

**25.** The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

**26.** The Company has not traded or invested in Cryptocurrency or Virtual Currency during the financial year.

**27.** The Company has not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding 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 to or on behalf of the Ultimate Beneficiaries.

**28.** The Company has not been declared as a willful defaulter by any bank or financial institution or other lender during the year.

Asara Constructions & Projects Pvt. Ltd,  
Notes to the financial statements for the year ended March 31, 2024

32.Key financial ratios:

(Rs. In Lakhs)

Ratio	Numerator	Denominator	As at March 31, 2024			As at March 31, 2023			Variation	Reason for Variance
			Numerator's Value	Denominator's Value	Ratio	Numerator's Value	Denominator's Value	Ratio		
Current ratio	Current Assets	Current Liabilities	0.67	439.97	0.00	0.67	24.92	0.03	-94.34%	Due to Receipt of advance from Holding company During the C.Y, ratio has come down
Debt- Equity Ratio	Total Debt	Net Worth	106.44	953.44	0.11	97.83	962.27	0.10	9.81%	N.A
Debt Service Coverage ratio	Earnings available for debt service	Debt Service	-	-	-	-	-	-	0.00%	
Return on Equity ratio	Net Profits after taxes - Preference Dividend	Average Shareholder's Equity	(8.83)	957.85	-0.01	(8.15)	966.34	-0.01	9.23%	N.A
Inventory Turnover ratio	Cost of goods sold OR sales	Average Inventory	-	-	-	-	-	-	0.00%	
Trade Receivable Turnover Ratio	Net Credit Sales	Average Trade Receivable	-	-	-	-	-	-	0.00%	N.A
Trade Payable Turnover Ratio	Net Sales	Average Trade Payables	-	-	-	-	-	-	0.00%	N.A
Net Capital Turnover Ratio	Net Sales	Working Capital	-	-	-	-	-	-	0.00%	N.A
Net Profit ratio	Net Profit	Net sales	(8.83)	-	-	(8.15)	-	-	0.00%	N.A
Return on Capital Employed	Earnings before Interest and taxes	Capital Employed	(0.22)	1,060	-0.00	(0.26)	1,060	-0.00	-16.01%	N.A

**ASARA Constructions & Projects Private Limited**  
**Notes forming part of the financial statements**

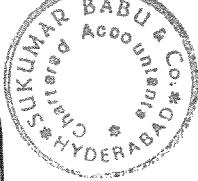
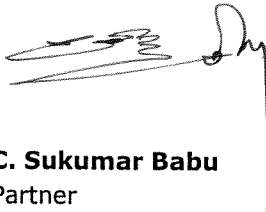
29. The Company has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
30. The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
31. The Company is not falling under the category mentioned in subsection 1 of "Section 135 – Corporate Social Responsibility" of the Companies Act, 2013, Accordingly, compliances under this section are not applicable for the Company.
33. The Company has not availed any facilities from banks on the basis of security of current assets.
34. Previous year's figures have been regrouped/reclassified wherever necessary.

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**For Sukumar Babu & Co.,**

Chartered Accountants

(Firm's Registration No. 021534S)



**C. Sukumar Babu**

Partner

Membership No: 024293

UDIN:24024293BKCPVS5034

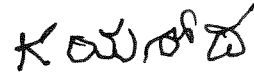
Place: Hyderabad

Date : 27-05-2024

**For and on behalf of the Board**



**V. Venu Gopal Reddy**  
Director  
DIN No: 08089571



**K. Yashoda**  
Director  
DIN No: 05157487