



AVP INFRACON LIMITED

Formerly - AVP INFRACON (P)LTD & AVP CONSTRUCTIONS (P)LTD
Reg. Off: E-30, IInd Floor, IInd Avenue, Besant Nagar,
Chennai-600090. Tel No: 044-4868 3999
CIN: L45400TN2009PLC072861

To,
National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor,
Plot No. C /1, G Block,
Bandra - Kurla Complex,
Bandra (E), Mumbai - 400 051, Maharashtra, India.

Date: 05-09-2024

Scrip Symbol: AVPINFRA

ISIN: INE0R9401019

Sub: Disclosure under Regulation 34 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") - Notice of the 15th Annual General Meeting and Annual Report for the financial year 2023-24.

Dear Sir / Madam,

With reference to the captioned subject, we wish to inform you that the 15th Annual General Meeting of the Company is scheduled to be held on Friday, 29th September, 2024 at 12:00 PM through Video Conferencing (VC) or Other Audio- Visual Means (OAVM).

The Notice convening the 15th Annual General Meeting and the Annual Report of the Company for the financial year 2023-24, are being sent through electronic mode to the members.

In terms of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the aforesaid Notice and Annual Report are attached herein.

Further, the Annual Report including notice of AGM as mentioned above, have also been made available on website of the company at <https://avpinfra.com/annual-reports>.

Kindly acknowledge and take the same on record.

Thanking you,

Yours faithfully,
For AVP Infracon Limited

Priyanka Singh
CS & Compliance Officer



Driving Success with Advanced Infrastructure and Strategic Investments

ANNUAL REPORT
2023-24

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Driving Success with Advanced Infrastructure and Strategic Investments



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our website

Forward-Looking Statement

In this Annual Report, we might have disclosed forward-looking statements that set out anticipated results based on the management's plans and assumptions. We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in our assumptions. The achievements of results are subject to risks, uncertainties, and inaccurate assumptions. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Success at AVP Infracon Limited is driven by our unwavering commitment to advanced infrastructure and strategic investments. The recent launch of our third commercial RMC Plant underscores our dedication to providing cutting edge solutions and expanding our operational capabilities. This facility is equipped with the latest technology to serve the concrete needs of our customers.

Our approach integrates advanced infrastructure with strategic financial planning, ensuring the longevity and effectiveness of our developments. Through careful planning and investment, we deliver projects that exceed expectations and set new benchmarks in the industry. By driving success with innovative infrastructure and strategic investments, we pave the way for sustained growth and excellence.

CORPORATE OVERVIEW

An Insight into AVP

AVP Infracon Limited, established in 2009, is one of India's premier infrastructure development companies. The company is recognized for its extensive experience in delivering technically complex and high-value projects across multiple sectors. These sectors include expressways, national and state highways, flyovers, bridges, viaducts, irrigation projects, urban development civic amenities, and commercial and residential projects.

Over the past decade, AVP has built a reputation for excellence through a diverse array of projects, including significant government contracts and national initiatives, solidifying its position as a trusted construction firm in India.



The total value of completed projects as of March 31, 2024, stands at Rs. 36,431 Lakhs

The Company excels in delivering comprehensive Engineering, Procurement, and Construction (EPC) services, ensuring precision and efficiency in every project. And, with a meticulous approach to the Bill of Quantities (BOQ), we guarantee transparency and cost-effectiveness, driving successful project outcomes.

The company actively bids on construction projects in roads, bridges, irrigation and canal projects, flyovers, and industrial areas, with a primary focus on the state of Tamil Nadu. It has a strong track record of timely project execution, consistently emphasizing workplace safety throughout its operations.

Revealing Key Insights

15+

Years in Service

100+

Veteran Professional

Road, Highways, Bridges, Flyovers

Wide-Ranging Expertise

Tamil Nadu 124 Units

Strong Presence

Fleet Strength

3 Units

RMC Plants

15

Ongoing Project till FY24

~Rs.30,000 Lakhs Comprehensive In-House Project Execution

Order Book as on Date 4th September 2024

Consolidated FY24 Financial Highlights



Rs. 16,087 Lakhs

Revenue



Rs. 3,609 Lakhs

EBITDA



Rs. 1,867 Lakhs

Net Profit



20.03%

ROE



24.68%

ROCE

LETTER TO SHAREHOLDERS



“
Solidifying our financial strength and operational efficiency with remarkable 39.87% increase in total income and EBITDA growth of 54.32% in FY24.
”

Dear Shareholders,

As we close another significant chapter of our journey, it is an opportune moment to reflect on the milestones we have achieved and the promising road that lies ahead. This past year has been marked by tremendous growth, operational success, and strategic advancement, all of which have positioned us for an even brighter future.

Solidifying our financial strength and operational efficiency with remarkable 39.87% increase in total income and EBITDA growth of 54.32% in FY24.

Our story began in September 2009, when we were first incorporated as AVP Constructions Private Limited in Chennai. From those humble beginnings, we have grown into a leading infrastructure development company in the country. Our transformation into AVP Infracon Limited in 2023 marks a pivotal moment in our journey, as we continue to expand and strengthen our presence in the infrastructure sector.

With 13 ongoing projects and new contracts worth Rs. 16,519.05 Lakhs, we are poised to capitalize on India's ambitious infrastructure expansion, driving sustained growth and value creation for our shareholders.”

Over the last 15 years, we have consistently delivered complex and high-value infrastructure projects across Tamil Nadu and beyond. Our portfolio includes expressways, national highways, bridges, irrigation systems, and urban developments. These achievements reflect our growing expertise and capability, allowing us to complete major projects worth approximately Rs. 36,430.51 Lakhs.

India's road network, the second-largest in the world, spans 63.73 lakh kilometers and plays a vital role in driving economic growth. The government's ambitious plans to add 13,000 kilometers of roads by March 2025 underline the critical need to improve connectivity and infrastructure. Key initiatives, such as the Bharatmala Pariyojana and the expansion of National Highways, reinforce the significance of our ongoing projects and strategic growth in this sector. Our Company is well-positioned to capitalize on these opportunities, and our commitment to excellence ensures that we remain at the forefront of this national endeavor.

On the financial front, the Company has delivered a robust performance. Our consolidated total income increased by 39.87% to Rs. 16,155.63 Lakhs in FY24, up from Rs. 11,550.08 Lakhs in FY23. EBITDA grew by 54.32% to Rs. 3,608.87 Lakhs, reflecting our operational efficiency, with EBITDA margins improving to 22.34%. Additionally, our Profit After Tax (PAT) rose by 55.00% to Rs. 1,882.67 Lakhs, with PAT margins at

11.65%. Earnings per share (EPS) also increased by 11.49%, from Rs. 6.70 in FY23 to Rs. 7.47 in FY24, underscoring our commitment to delivering consistent value to our shareholders.

Our strong foundation is built on a well-established fleet of machinery and three RMC plants, which play a critical role in ensuring the timely execution of projects. We are proud to have a versatile and technologically advanced array of equipment that allows us to maintain high operational efficiency and quality standards.

In addition to our strong presence in Tamil Nadu, we are actively investing in fleet expansion and exploring new geographical markets. We believe that our future lies in scaling our operations across India, and our growth strategy includes both organic expansion and strategic joint ventures. In the past year, we entered into Joint Venture partnerships with renowned significantly boosting our ability to take on larger, more complex projects.

As we look ahead, we are fully committed to enhancing our operational capabilities, expanding our footprint, and embracing new opportunities. Our focus will remain on leveraging our in-house expertise, ensuring procurement efficiency, and maintaining accurate project budgeting to deliver the best value to our stakeholders.

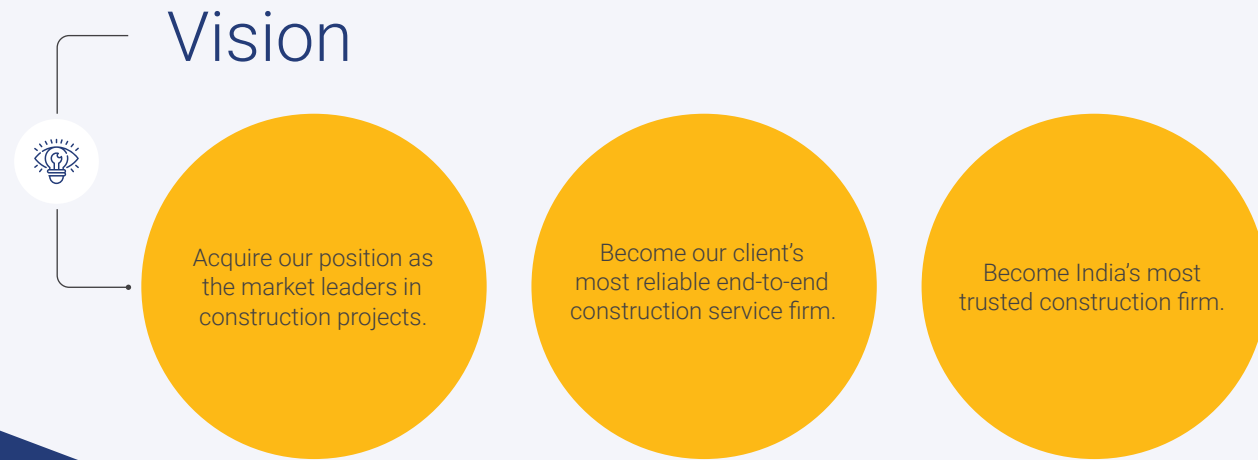
The road to success is always under construction – Lily Tomlin

Our journey has been one of perseverance, innovation, and dedication, and it is your unwavering support as shareholders that has enabled us to succeed. I am confident that together, we will continue to drive our company toward greater achievements in the coming years.

Thank you for your trust and belief in our vision.

Sincerely,
Mr. D. Prasanna
Managing Director

THE FOUNDATION OF OUR FUTURE



Goals

AVP is committed to providing their clients the highest quality construction services, on time and within budget. The company is also committed to the growth of its employees and maintaining its position as a leader in the construction industry.

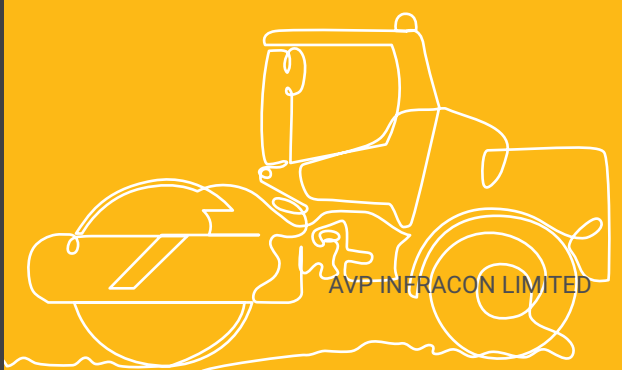
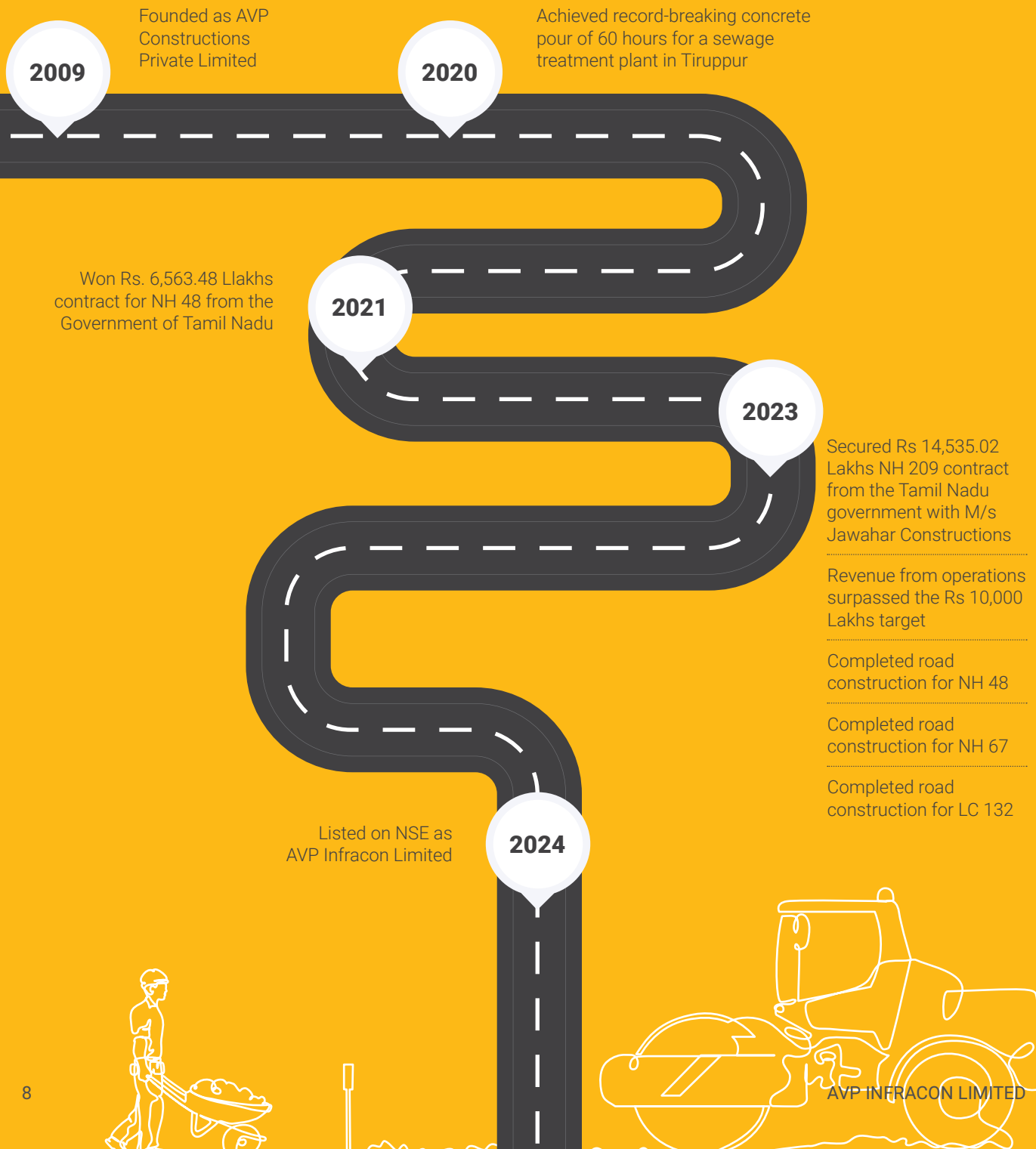
- To provide the best construction services from design to execution.
- To provide quality and satisfactory services.
- Formulate the best succession plan for the success of our company.
- To deliver high-quality economical construction projects promptly.
- To retain our position as the pioneer of our discipline.

Values

AVP is building the future of India with integrity, teamwork and excellence. They believe that their core values are essential for their success and for the success of their clients.

- Conducting business with integrity and honesty is our precedent.
- We take accountability and responsibility of our projects.
- Firmly believe in teamwork.
- We take our client's requirements passionately.
- We believe in quality and efficiency.

KEY MILESTONES AND SIGNIFICANT EVENTS IN OUR COMPANY'S HISTORY



AVP INFRACON LIMITED

CERTIFICATION



ISO 9001:2015
Quality Management System

Scope:
Construction of road projects using Bill of Quantities (BOQ) and Engineering, Procurement, and Construction (EPC) methods



ISO 14001:2015
Environmental Management System

Scope:
Construction of road projects using Bill of Quantities (BOQ) and Engineering, Procurement, and Construction (EPC) methods



ISO 45001:2018
Occupational Health & Safety Management System

Scope:
Construction of road projects using Bill of Quantities (BOQ) and Engineering, Procurement, and Construction (EPC) methods.

EXPLORING THE BUSINESS SPHERE



ROAD CONSTRUCTION

Paving the Future: Roads that Drive Progress

At AVP Infracon Limited, we lead road construction with a blend of innovation and precision. Our expertise transforms rural routes and urban streetscapes, driving progress and enhancing safety.



HIGHWAYS CONSTRUCTION

Building Tomorrow's Highways Today

Our commitment to building world-class highways is unwavering. We focus on safety, durability, and smooth traffic flow, ensuring our highways enhance connectivity and stand up to future challenges.



EXPLORING THE BUSINESS SPHERE



BRIDGES

Bridging Distances: Connecting Communities and Horizons

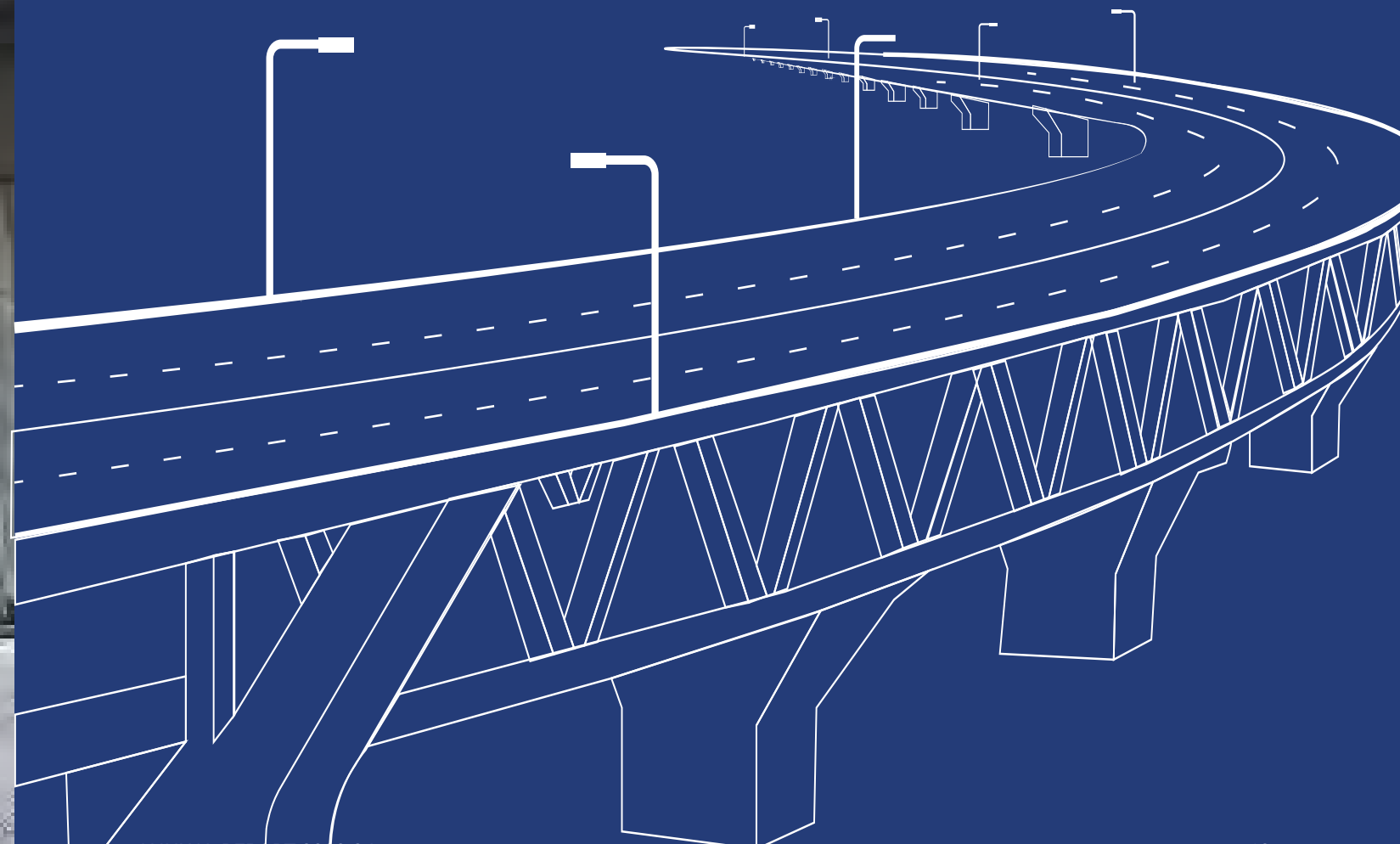
At AVP Infracon Limited, we turn vision into reality with excellence in bridge construction. Each bridge we design combines strength, aesthetics, and durability, showcasing our commitment to innovation and quality.



FLYOVERS

Elevating Connectivity: Flyovers for a Seamless Journey

We specialize in flyovers that tackle traffic congestion and boost transportation efficiency. Each design integrates seamlessly with its environment, offering smooth movement and panoramic views. Our innovative approach enhances traffic flow and positively impacts surrounding infrastructure.



SIGNIFICANT PROJECT COMPLETED IN FY23-24



NH 48

Widening of Existing 4 Lane to 6 Lane

Type:

Road

Location:

Chettipedu to Irungattujottai

Length:

3 Km

Upgradation:

4 Lane to 6 Lane

Authority: NHA

(National Highway Authority of India)

NH 67

Widening of 2 Lane to 4 Lane

Type:

Road

Location:

Palladam – Karanampettai –
Chinthamanipur – L&T Bypass

Length:

8 Km

Upgradation:

4 Lane

Authority: MORTH

(Ministry of Road Transport and Highways of India)



LC 132

Construction of ROB

Type:

Road Over Bridge (ROB)

Location:

Vavipalayam Road

Length:

2 Km

Upgradation:

Existing ROB

Authority:

Superintending Engineer, Highways
Department, Salem

SLM 99

Widening of Two Lane to Four Lane and Improvements

Type:

Road

Location:

Dharampuri- Arur (Via) Morappur road

Length:

6 Km

Upgradation:

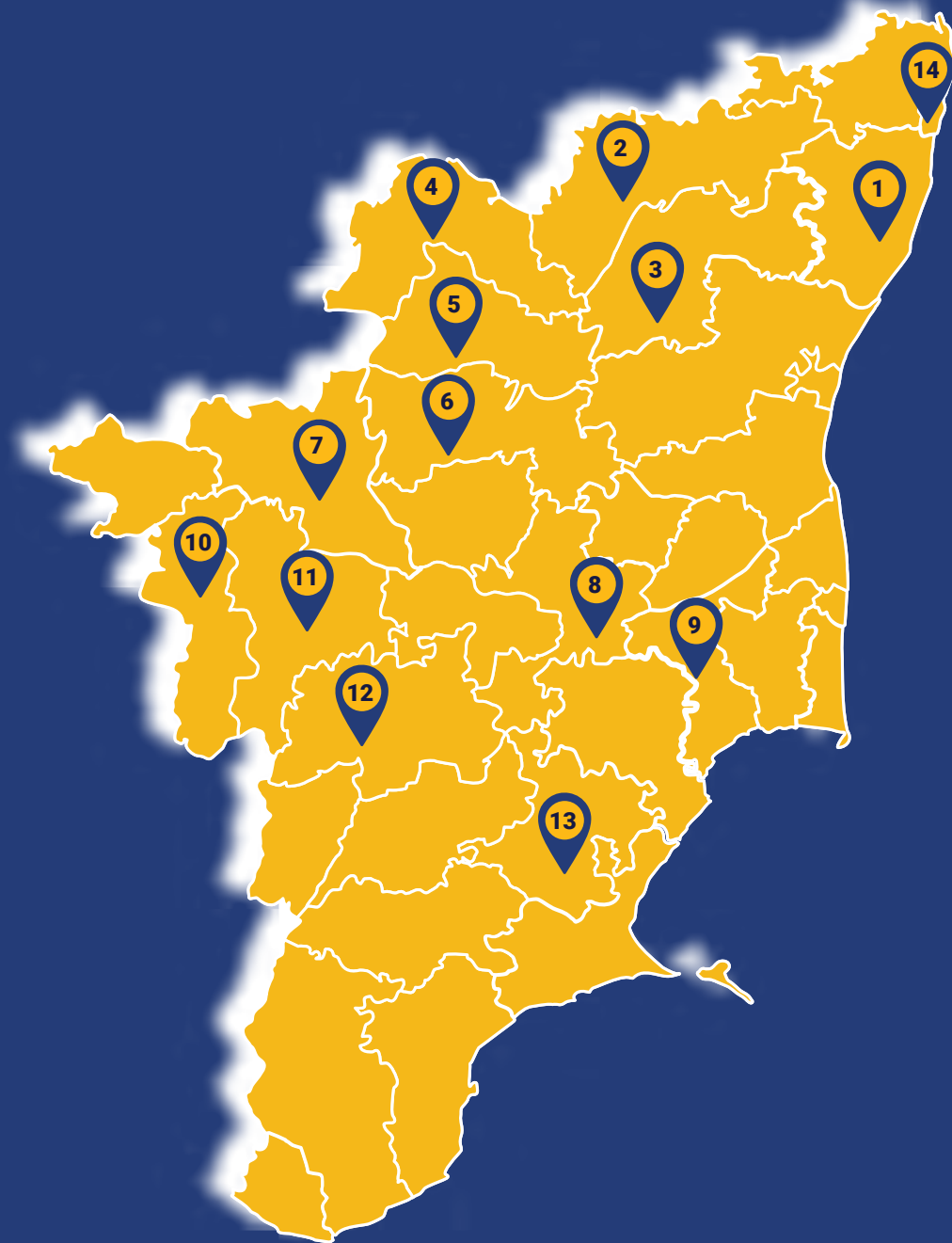
2 Lane to 4 Lane

Authority:

Government Of Tamilnadu Highways Department



OUR PRESENCE IN TAMIL NADU



- | | | | |
|----------------------|-----------------------|-----------------------|-------------------------|
| 1 Kanchipuram | 2 Chengalpattu | 3 Kallakurichi | 4 Krishnagiri |
| 5 Dharampuri | 6 Salem | 7 Erode | 8 Tiruchirapalli |
| 9 Thanjavur | 10 Coimbatore | 11 Tiruppur | 12 Dindigul |
| | 13 Sivagangai | 14 Chennai | |

LISTING CEREMONY

AVP Infracon Limited proudly celebrated its listing ceremony on March 20, 2024, marking a significant milestone in the company's journey. The event symbolized the company's transition into the public market, reinforcing its commitment to transparency, growth, and delivering value to its stakeholders. Held at a prestigious venue, the ceremony was attended by esteemed guests, including company leadership, board members, investors, and partners.

The listing is a testament to AVP Infracon's robust performance and strategic vision, enabling the company to expand its footprint in the infrastructure sector and pursue new growth opportunities. This momentous occasion reflects the company's dedication to excellence and its role in contributing to India's infrastructure development.



OUR FLEET STRENGTH



Prime Movers (Trailers)

No of Machinery: 3
Value: Rs 6.3 Lakhs



Tipper

No of Machinery: 28
Value: Rs 784 Lakhs



Excavators

No of Machinery: 5
Value: Rs 153 Lakhs



Backhoe Loaders

No of Machinery: 7
Value: Rs 86 Lakhs



Motor Graders

No of Machinery: 4
Value: Rs 253 Lakhs



Transit Mixer

No of Machinery: 27
Value: Rs 552 Lakhs



Boom Placers

No of Machinery: 1
Value: Rs 76 Lakhs



Soil Compactors

No of Machinery: 5
Value: Rs 106 Lakhs



Tandem Rollers

No of Machinery: 6
Value: Rs 96 Lakhs



Electronic Sensor Paver

No of Machinery: 1
Value: Rs 363 Lakhs



Open Truck

No of Machinery: 2
Value: Rs 3 Lakhs



Water Tanker

No of Machinery: 3
Value: Rs 8.7 Lakhs



Diesel Bowser

No of Machinery: 1
Value: Rs 7.1 Lakhs



Mechanical Paver

No of Machinery: 2
Value: Rs 22 Lakhs



Front Loaders

No of Machinery: 3
Value: Rs 42 Lakhs



Concrete Pumps

No of Machinery: 6
Value: Rs 55 Lakhs



Tempo Truck

No of Machinery: 4
Value: Rs 12 Lakhs



Bolero Campers

No of Machinery: 4
Value: Rs 21 Lakhs



Bolero Jeep

No of Machinery: 1
Value: Rs 5 Lakhs



CMP PLANT / Hot Mix Asphalt Plant

No of Machinery: 3
Value: Rs 380 Lakhs



Concrete Batching Plants

No of Machinery: 2
Value: Rs 140 Lakhs



Diesel Generators

No of Machinery: 8
Value: Rs 68 Lakhs

OUR RMC PLANT: A GAME-CHANGER UNVEILED

Location : Tirupur

Capacity : M1



Location : Coimbatore

Capacity : M1.25



Location : Dharapuram

Capacity : M1.25



FOSTERING TRUST: KEY CLIENT COLLABORATIONS



Greater Chennai Corporation



National Highway Authority of India



Ministry of Road Transport & Highways



Tamil Nadu Public Works Department



Tamil Nadu Highways Department

STRATEGIC LEADERSHIP TEAMS

Mr. B Venkateshwarlu
 Joint MD and CFO
 Experience: 18 Years

Mrs. D Bhagyavathy
 Non- Executive Director
 Experience: 10 Years

Mr. C Rajendran
 Independent Director
 Experience: 38 Years

Ms. Priyanka Singh
 Company Secretary
 Experience: 7 Years



Mr. D. Prasanna
 Chairman, MD and CEO
 Experience: 18 Years

Mr. Vasanth D
 Whole Time Director
 Experience: 13 Years

Mrs. Priya Rao
 Independent Director
 Experience: 17 Years

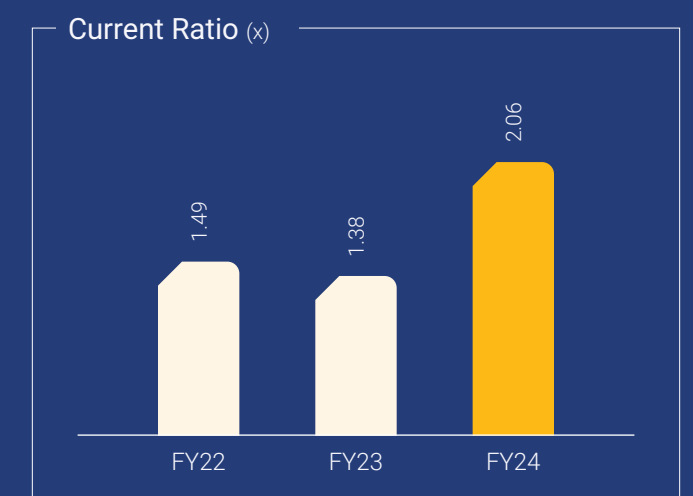
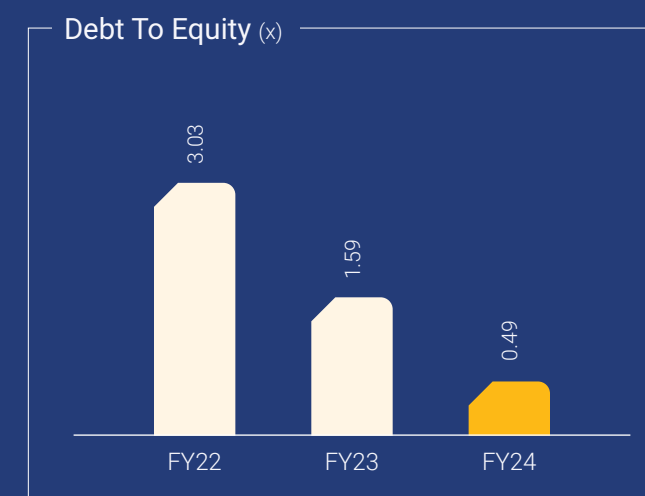
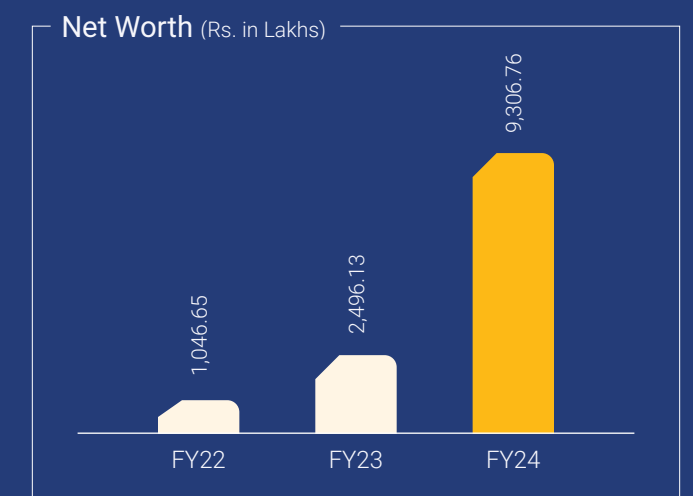
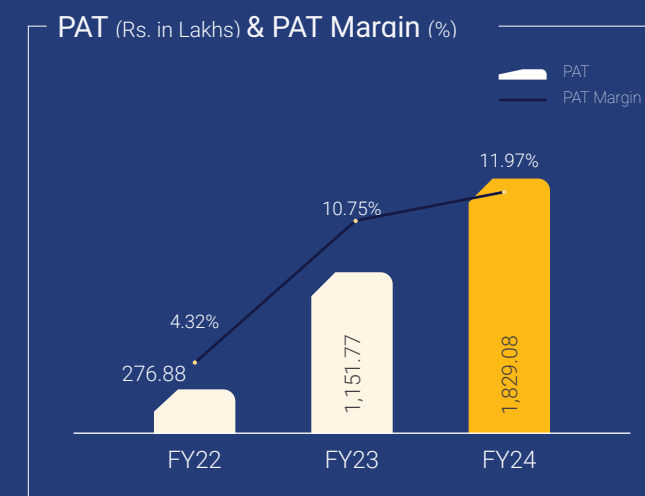
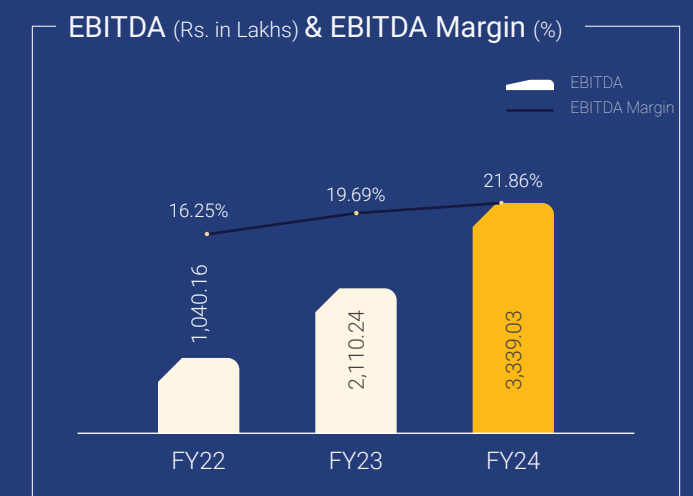
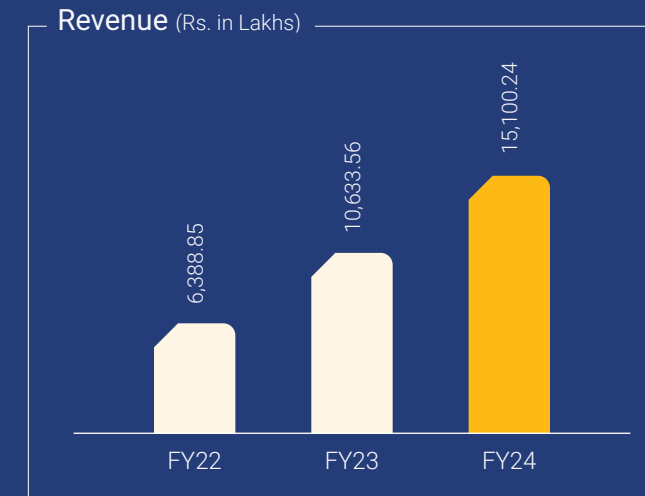
Mr. Rajan Ethiraja
 Independent Director
 Experience: 20 Years

FINANCIAL HIGHLIGHTS

(Rs. in Lakhs)

Particulars	FY22	FY23	FY24
Profit & Loss Account			
Revenues	6,388.85	10,633.56	15,100.24
Other Income	13.65	81.84	174.38
Expenditure	5,362.34	8,605.16	11,935.59
Ebitda	1,040.16	2,110.24	3,339.03
Ebitda Margin (%)	16.25%	19.69%	21.86%
Interest	309.05	371.77	648.13
Depreciation	342.77	234.66	279.57
Pbt	388.34	1,503.81	2,411.32
Pbt Margin (%)	6.07%	14.03%	15.79%
Tax	111.46	352.03	582.23
Pat	276.88	1,151.77	1,829.08
Pat Margin (%)	4.32%	10.75%	11.97%
Balance Sheet			
Fixed Assets	1,082.43	1,924.01	2,199.09
Investments	-	35.24	541.73
Non Current Assets	574.55	563.76	565.93
Current Assets	4,235.31	9,410.37	16,402.26
Total Assets	5,892.30	11,933.38	19,709.01
Equity	480.00	480.00	2,497.92
Reserve & Surplus	566.65	2,016.13	6,808.84
Non Controlling Interests	-	-	-
Net Worth	1,046.65	2,496.13	9,306.76
Long Term Borrowings	2,002.75	2,567.95	2,390.90
Other Non Current Liabilities	-	42.47	58.57
Short Term Borrowings	1,164.75	2,917.32	3,545.99
Other Current Liabilities	1,678.15	3,909.52	4,406.80
Total Liabilities	5,892.30	11,933.38	19,709.01
Cash Flow			
Cash Flow From Operations	-	-865.94	-2,940.71
Cash Flow From Investments	-	-731.45	-1,035.81
Cash Flow From Financial Activities	-	1,946.01	4,785.03
Ratios			
Debt To Equity	3.03	1.59	0.49
Current Ratio	1.49	1.38	2.06
Eps (Rs)	5.77	24.01	10.04
Bv (Rs)	21.81	52.00	37.26
Total No Of Shares	48.00	48.00	249.79

KEY PERFORMANCE HIGHLIGHTS



CORPORATE INFORMATION

BOARD OF DIRECTORS

Prasanna D
Managing Director
Bollam Venkateshwarlu
Joint Managing Director & CFO
Dhandayuthapani Vasanth
Whole Time Director
Bhagyavathy D
Non- Executive Director
Priya Rao
Independent Director
Rajan Ethiraj
Independent Director
C. Rajendran
Independent Director

COMMITTEES OF THE BOARD

AUDIT COMMITTEE

Mrs Priya Rao (DIN:00717336)
Chairman
Mr. Chellasamy Rajendran (DIN:10345090)
Member
Mr. Rajan Ethiraja (DIN:09688086)
Member

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Mrs Priya Rao (DIN:00717336)
Chairman
Mr. Chellasamy Rajendran (DIN:10345090)
Member
Mr. Rajan Ethiraja (DIN:09688086)
Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Chellasamy Rajendran (DIN:10345090)
Chairman
Mrs Priya Rao (DIN:00717336)
Member
Mr. Rajan Ethiraja (DIN:09688086)
Member

AUDITORS

STATUTORY AUDITOR

M/s. P P N AND COMPANY, CHARTERED ACCOUNTANTS
Address: No. 2, IV Cross Street, Sterling Road,
Nungambakkam, Chennai - 600034
Tel. No.: +91 98844-26716
Email Id: ram@ppnaco.com
Contact Person: Mr. R. Rajaram
FRN: 013623S
Peer Review No.: 013578

KEY MANAGERIAL PERSON

Prasanna D
Managing Director
Bollam Venkateshwarlu
Joint Managing Director & CFO
Dhandayuthapani Vasanth
Whole Time Director
Priyanka Singh
CS & Compliance Officer

NOMINATION AND REMUNERATION COMMITTEE

Mr. Rajan Ethiraja (DIN:09688086)
Chairman
Mr. Chellasamy Rajendran (DIN:10345090)
Member
Mrs. Priya Rao (DIN:00717336)
Member

RISK MANAGEMENT COMMITTEE

Mr. Chellasamy Rajendran (DIN:10345090)
Chairman
Mrs Priya Rao (DIN:00717336)
Member
Mr. Rajan Ethiraja (DIN:09688086)
Member

INTERNAL AUDITOR

M/s. M/s. KEK and Associates LLP
Address: T- Nagar, Chennai - 600017
Tel. No.: +91 81487-31288
Email Id: karthikloganathan@kekllp.com
Contact Person: Mr. Karthik L.

SECRETARIAL AUDITOR

M/s SKD & ASSOCIATES
Company secretary
Address- S2, Sri Sai Anugraha Apt., Plot No. 804/806,
3rd Main Road, Ramnagar South, Madipakkam,
Chennai 600078
Membership No.7408
CP No. 27050
Peer Review Cert No. 5384/2023

REGISTRAR & SHARE TRANSFER AGENT

SPurva Sharegistry (India) Private Limited
Address: Unit No. 9, Shiv Shakti Industrial Estate,
J. R. Boricha Marg, Near Lodha Excelus,
Lower Parel (E), Mumbai – 400011
Tel No.: +91-22-2301 8261
Fax No.: N.A.
Email: support@purvashare.com
Contact Person: Mr. Deepali Dhuri
Website: www.purvashare.com
SEBI Registration No.: INR000001112
CIN: U67120MH1993PTC074079

REGISTERED OFFICE

Plot No. E-30, IInd Floor, IInd Avenue
Besant Nagar, Chennai,
Tamil Nadu -600090

COST AUDITOR

M/s N. SIVASHANKARAN & Co.
Cost and Management Accountants
Address- New No. 15 (Old No. AP13), First sector, Sixth Street,
K.K Nagar, Chennai – 600078
Membership No- 26818
Firm's Registration No: 100662

PRINCIPAL BANKER

The Federal Bank Ltd.
Address: Commercial Banking
No 27 Akshaya Shanthi ,6Th Floor,
Anna Salai Chennai – 600 002
Tel. No.: 04447748552 , 88700 02012
Email Id: praveenkumar@federal.co.in
Contact Person: Mr. Praveen Kumar.K

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

1. Global Economic Trends and Projections

The July 2024 World Economic Outlook (WEO) by the International Monetary Fund (IMF) provides a detailed analysis of the global economy, highlighting both opportunities and challenges. According to the report, global growth is expected to remain steady at 3.2% in 2024 and 3.3% in 2025, consistent with earlier projections. However, economic performance varies across regions due to complex factors.

Asia's strong technology exports have boosted global trade, while the US and Japan have experienced slowdowns caused by weaker consumption and supply disruptions. Europe is showing signs of recovery, driven by the services sector, and China is benefiting from increased domestic consumption. Inflation remains a significant concern, especially in services, complicating efforts to normalize monetary policy and increasing the likelihood of prolonged high interest rates amid growing trade tensions and policy uncertainties.

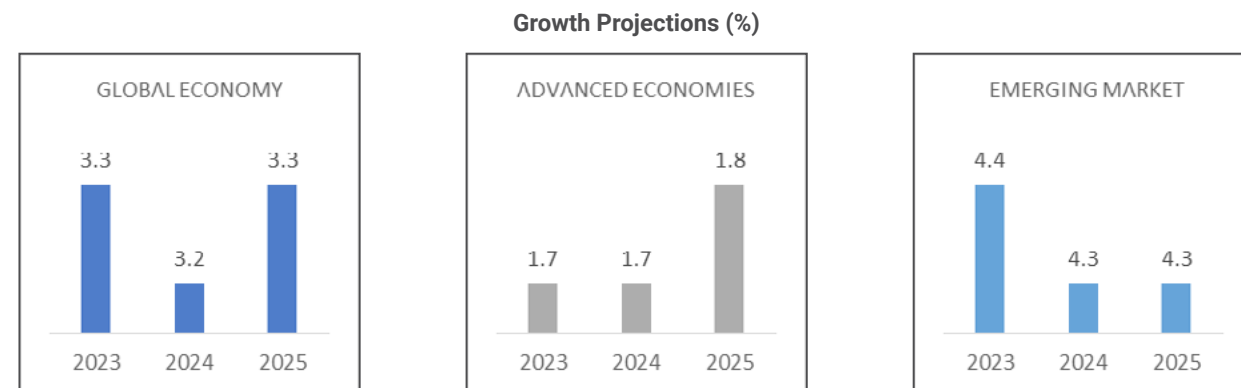
The report notes that while global financial conditions remain accommodative, rising long-term yields and high corporate valuations pose challenges for fiscal discipline. Commodity prices have been revised upward, with energy prices expected to decline less than previously projected due to OPEC+ production cuts. Monetary policy rates are anticipated to decline in the latter half of 2024, though the pace will vary depending

on inflation trends. Growth forecasts for advanced economies suggest a convergence, with the US and Japan adjusting downward while Europe shows modest improvements. Emerging markets, particularly China and India, are projected to see stronger activity, despite regional challenges like flooding in Brazil and conflicts in the Middle East.

Policymakers face the dual challenge of restoring price stability while addressing the legacies of recent crises. Central banks are advised to carefully sequence policy measures to manage inflation without stifling growth. Emerging markets need to navigate currency and capital flow volatility prudently, preserving foreign reserves and mitigating vulnerabilities from foreign-currency-denominated debt. Long-term growth prospects hinge on enhancing productivity, integrating women and immigrants into the workforce, and fostering multilateral cooperation to tackle global challenges like climate change and implementing macrostructural reforms to ensure sustainable economic growth.

Strategic policy coordination is critical in navigating the current economic landscape. Policymakers must balance inflation control with growth promotion, ensuring fiscal discipline and structural reforms. The focus is on fostering resilience through enhanced productivity, effective resource allocation, and robust multilateral cooperation, which are vital for addressing global challenges and securing a stable economic future.

World Economic Outlook July 2024



Source:IMF

2. India's Economic Trends

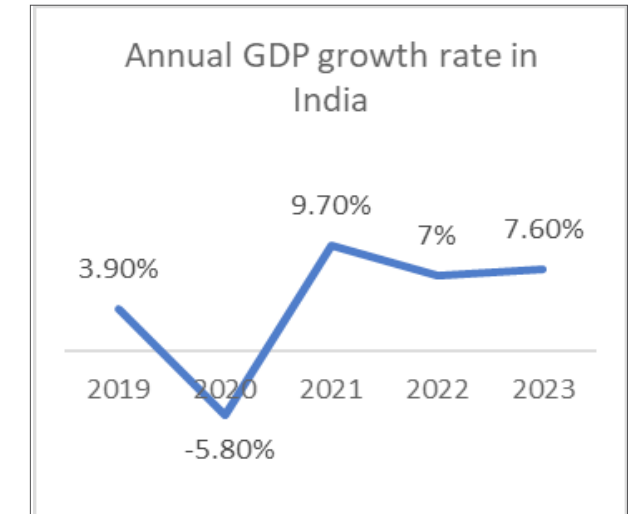
The Indian economy in 2024 has showcased remarkable resilience and robust growth, according to the latest provisional estimates by the National Statistical Organization. For the financial year 2023-24 (FY24), India's real GDP is projected to have grown by an impressive 8.2%, surpassing the earlier estimate of 7.6%. This stellar performance is reflected in consistent quarterly growth rates of 8.2% in Q1, 8.1% in Q2, 8.6% in Q3, and 7.8% in Q4. A significant driver of this economic surge is the Gross Fixed Capital Formation (GFCF), which saw a 9.0% increase, highlighting the nation's potential for investment and economic expansion. Additionally, Private Final Consumption Expenditure (PFCE) and Government Final Consumption Expenditure (GFCE) grew by 4.0% and 2.5%, respectively, indicating stable and robust domestic demand.

The real Gross Value Added (GVA) has also shown strong growth, estimated at 7.2% for FY24. The primary, secondary, and tertiary sectors recorded growth rates of 2.1%, 9.7%, and 7.6%, respectively. Notably, the Manufacturing sector led with a 9.9% growth, followed by the Mining & Quarrying sector at 7.1%. These figures underscore the strength and diversification of India's industrial sectors, instilling confidence in the country's economic potential. Despite a global trade slowdown, India's export growth remained positive at 2.6%, while imports surged by 10.9%, driven by resilient economic performance and strong domestic demand.

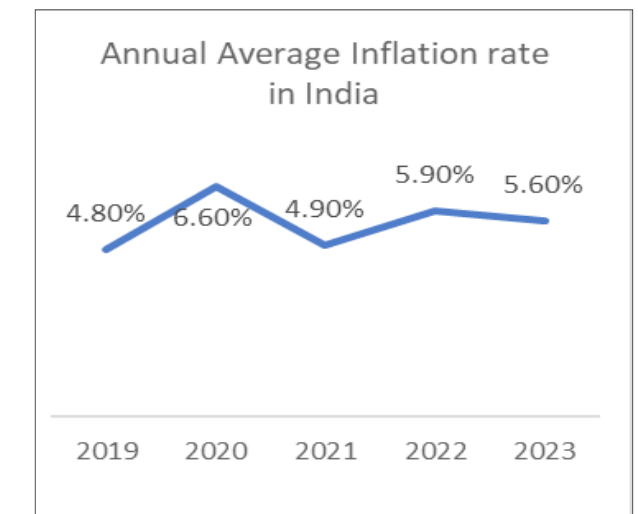
Prudent fiscal management has been a hallmark of this period, resulting in a fiscal deficit lower than estimated. The Controller General of Accounts (CGA) reported a fiscal deficit of 5.6% of GDP for FY24, better than the 5.8% projected in the Union Budget. Revenue and Primary deficits stood at 2.6% and 2.0% of GDP, respectively. Reflecting this fiscal prudence and strong economic fundamentals, S&P Global Ratings raised India's outlook to 'positive' from 'stable', affirming the BBB- sovereign credit rating. This upgrade is based on robust economic growth, improved government spending quality, and a

strong political commitment to fiscal consolidation.

Source: Department of Economic Affairs



Source: World Bank



Source: World Bank

3. Highlights of the Union Budget FY24 for the Infrastructure Sector

Central Government Investment

The Central Government's substantial investment in infrastructure has created a significant multiplier effect on the economy. For the coming five years, ₹ 11,11,111

Cr has been allocated for capital expenditure this year, representing 3.4% of GDP, to maintain robust fiscal support.

State Government Support

States are encouraged to provide similar support for infrastructure in line with their development priorities. To assist in resource allocation, a provision of ₹ 1.5 lakh Cr has been made available for long-term interest-free loans this year.

Private Sector Investment

Private sector investment in infrastructure will be supported through viability gap funding and favorable policies and regulations. A market-based financing framework will be introduced to facilitate these investments.

Pradhan Mantri Gram Sadak Yojana (PMGSY)

Phase IV of PMGSY will be launched to ensure all-weather connectivity to 25,000 rural habitations that have become eligible due to population increases.

Call out: ₹ 11,11,111 Cr in infrastructure investment this year equals 3.4% of GDP, driving growth.
Source: indiabudget

3.1 Key Expenditure Highlights for FY 2024-25

The Ministry of Road Transport and Highways has seen substantial increases in its budget allocations over the years, highlighting the government's commitment to enhancing infrastructure. The total expected expenditure for FY 2024-25 stands at ₹ 278,000.00 Cr, a marginal increase of 0.60% from the revised estimate of ₹ 276,351.45 Cr for FY 2023-24. This modest growth follows a significant rise in the previous year, where the budget allocation for FY 2023-24 was revised up by 27.28% from the actual expenditure of ₹ 217,089.47 Cr in FY 2022-23.

A closer look at the expenditure components reveals that the National Highways Authority of India (NHAI) continues to receive the largest share, with an expected allocation of Rs. 168,464.00 Cr in FY 2024-25, slightly up from the revised estimate of ₹ 167,400.00 Cr in the previous year. Roads and Bridges also see an incremental increase, reaching ₹ 109,093.19 Cr, while Road Transport and Safety, though smaller in comparison, has a planned expenditure of ₹ 272.90 Cr. This consistent increase in budget allocation underscores the strategic emphasis on developing and maintaining a robust and extensive road network to support economic growth and connectivity across the country.

Source: indiabudget

Budget Allocation for the Ministry of Road Transport and Highways

In ₹ Cr

	Budget 2023-24	Revised 2023-24	Budget 2024-25
Establishment Expenditure of the Centre	184.33	175.00	169.91
National Highways Authority of India	162207.00	167400.00	168464.00
Roads and Bridges	107713.38	108520.38	109093.19
Road Transport and Safety	330.00	256.07	272.90
Total	270434.71	276351.45	278000.00

Source: indiabudget

4. Industry Outlook

Roads and Highway

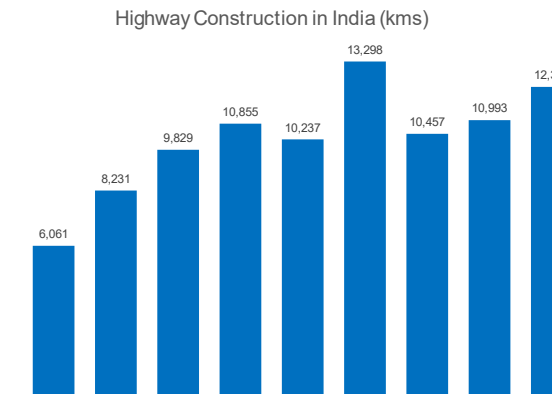
India's road network, the second-largest in the world at 63.73 lakh kilometers, is vital for connecting cities and rural areas, facilitating movement, and driving economic growth. With plans to add 13,000 kilometers by March 2025, this expansion is essential for addressing the country's transportation needs and supporting development.

Call out: A major milestone has been the growth of National Highways from 91,287 kilometers in 2013-14 to 1,46,145 kilometers in 2023-24, with the construction pace increasing from 12.1 kilometers per day to 28.3 kilometers per day.

Significant projects include those inaugurated by Minister Nitin Gadkari and the Prime Minister, reflecting ongoing commitment to improving infrastructure.

Key to India's strategy is the Bharatmala Pariyojana, which involves developing 35 Multimodal Logistics Parks (MMLPs) with an investment of ₹ 46,000 Cr. These parks will handle 700 million metric tonnes of cargo and are part of the goal to expand the national highway network to 2 lakh kilometers by 2025, highlighting a strong commitment to enhancing road infrastructure and economic progress.

Callout: In FY24 approximately 12,300 km of National Highways have been constructed

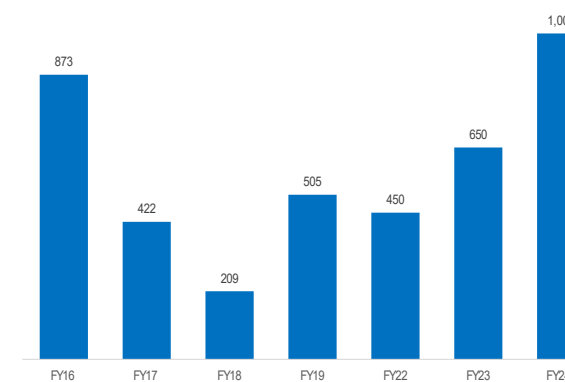


5. Increase in private sector engagement

The National Highways Authority of India (NHAI) is enhancing infrastructure and management systems with strategic initiatives. It has partnered with HLL Life Care Limited to improve incident management and assist accident victims on National Highways. For 2023-24, NHAI plans to award 1,000-1,500 kilometers of projects under the BOT model.

As of February 2024, 567 out of 1,825 road projects in India were Public-Private Partnerships (PPPs). The government has successfully launched over 60 road projects worth more than US\$ 10 billion under the Hybrid Annuity Model (HAM), which has effectively balanced risk and spurred PPP activity. NHAI is targeting 600-1,000 kilometers of BOT projects and has revised the Model Concession Agreement to address delays by ensuring 90% of project land is ready for private developers and incentivizing timely completion.

Projects Awarded to BOT private players (in kms)



* BOT - Build-operate-transfer, T-Target
Source: IBEF

6. Government Initiative

a. Recent Inaugurations of Major Road Projects

National Highway Projects in Gurugram:

Recent investments of about US\$ 12.1 billion (₹ 1 Lakh Cr) in Gurugram include the Haryana section of the Dwarka Expressway, aimed at improving travel between Delhi and Haryana. This is part of a broader effort with over US\$ 120.9 billion (₹ 10 Lakh Cr) in projects launched to enhance infrastructure, reduce congestion, and create jobs.

Development Projects in Odisha:

Odisha has seen over US\$ 2.4 billion (₹ 19,600 Cr) in new projects, including a major pipeline and LPG facility, aimed at boosting industrial growth and employment. Key efforts also focus on improving Rail-Highway-Port connectivity and developing regions like Kalinga Nagar.

Road and Port Projects in Tamil Nadu:

Tamil Nadu's Thoothukudi district is investing US\$ 45.7 million (₹ 17,300 Cr) in projects such as a new Outer Harbor Container Terminal and green hydrogen infrastructure. The initiatives also include rail line expansions and road developments to enhance regional connectivity and economic growth.

b. Other Initiative

NHAI Knowledge Sharing Platform

NHAI has launched a 'Knowledge Sharing' platform to exchange global best practices in road infrastructure, hosted at <https://ksp.nhai.org/kb/>. It features videos, presentations, and PDFs on road design, safety, and sustainability.

'Rajmargyatra' Mobile App

The NHAI's new 'Rajmargyatra' app offers detailed highway information, complaint filing, and FASTag services. Available on Google Play and iOS, it aims to enhance user experience and safety with features like voice assistance.

PM e-Bus Seva Scheme

The PM e-Bus Seva Scheme, with a budget of ₹ 57,613 Cr (US\$ 6.92 billion), plans to deploy 10,000 electric buses in 100 cities. Funded by central and state governments, it focuses on sustainable mobility and climate change, running until 2037.

REC Limited Financing Conference

REC Limited's conference on January 8, 2024, in New Delhi resulted in MoUs worth US\$ 1.9 billion (₹ 16,000 Cr) with major infrastructure firms, emphasizing collaborative growth and improved road quality.
Source: IBEF

7. Opportunities and Threats

a. Opportunities:

Infrastructure Investment: The Indian government's significant investments in road infrastructure, including the launch of major projects and schemes like the PM e-Bus Seva Scheme, offer substantial opportunities for growth and modernization in the sector.

Technological Advancements: The adoption of advanced technologies, such as recycled materials and innovative construction techniques, is improving efficiency and sustainability in road projects.

Public-Private Partnerships: Enhanced collaboration between the government and private sector provides opportunities for funding, expertise, and innovation in road development.

Digital Integration: New initiatives, such as the 'Rajmargyatra' app, are improving user experience and operational efficiency by providing real-time information and services.

Environmental Focus: The push towards sustainable practices, including green hydrogen infrastructure and recycled materials, aligns with global environmental goals and opens avenues for eco-friendly developments.

b. Threats:

Funding Challenges: Despite substantial investments, there may be challenges in securing adequate funding and ensuring timely disbursement for various projects.

Implementation Delays: Large-scale projects often face delays due to bureaucratic hurdles, regulatory issues, and logistical challenges, potentially impacting overall project timelines.

Environmental and Social Impact: Balancing development with environmental sustainability and

addressing the social impacts of road projects can pose challenges, especially in sensitive regions.

Technological and Operational Risks: The integration of new technologies and practices may encounter operational issues or resistance, impacting the effectiveness of their implementation.

Maintenance and Longevity: Ensuring long-term maintenance and durability of newly constructed roads remains a critical challenge, requiring ongoing investment and management.

8. Company and Business Overview

At AVP Infracon, our commitment to excellence in road infrastructure development positions us uniquely in the industry. Our extensive portfolio spans major highways, expressways, and urban road projects, reflecting a strategic approach that emphasizes innovation, sustainability, and efficiency. Compared to industry peers, our business model integrates state-of-the-art technologies and robust project management practices, setting new benchmarks for quality and timely delivery. We differentiate ourselves with a focus on incorporating recycled materials and advanced construction techniques, which align with global sustainability trends and address market demands for eco-friendly solutions. As we continue to expand and evolve, AVP Infracon's dedication to enhancing road connectivity and infrastructure remains at the forefront of our business strategy, ensuring we meet the highest standards and drive significant growth in the sector.

9. Financials

In our consolidated financial results for FY24, AVP Infracon Limited has delivered robust growth across key segments compared to the previous year. Revenues increased significantly from ₹ 11,498.08 lakhs in FY23 to ₹ 16,086.79 lakhs in FY24, a remarkable 39.91% rise. This was primarily driven by higher raw material expenses, which almost doubled, reflecting the scale of our ongoing projects. Our consolidated EBITDA grew by 53.89%, reaching ₹ 3,603.98 lakhs, underscoring our focus on operational efficiency. Profitability also improved, with our PAT margin increasing from 10.01% to 11.60%, and PAT rising from ₹ 1,151.78 lakhs to ₹ 1,866.67 lakhs.

Financial prudence remains a cornerstone of our strategy, as evidenced by the substantial improvement in our debt-to-equity ratio, which dropped from 1.15 to 0.27. Capital employed more than doubled, and as a result, we delivered a healthy return on capital employed (ROCE) of

34.75%. Additionally, our asset efficiency improved, with fixed asset turnover increasing from 4.20 to 5.28, further solidifying our ability to generate sustained growth.

In our standalone financial results for FY24, the company has delivered exceptional performance with robust growth across key metrics. Revenues grew significantly from ₹ 10,633.56 lakhs in FY23 to ₹ 15,100.24 lakhs in FY24, marking a 42% increase, driven by our strategic expansion and operational efficiency. We continue to focus on optimizing our capital structure, and this performance reflects our commitment to sustained growth and value creation for our stakeholders.

Standalone Ratios

Metrics	FY 2022-23	FY 2023-24	% Of Variance	Reason
EBITDA Margin (%)	19.69	21.86	2.17%	NA
PAT Margin (%)	10.75	11.97	-1.22%	NA
ROE (%)	46.14	19.65	-57.41%	Ratio has decreased due to increase in total Equity
Interest Coverage	2.22	2.42	-9.31%	NA
Debt to Equity	1.59	0.49	69.37%	Ratio has decreased due to increase in Equity Shares
Current Ratio	1.38	2.06	49.55%	The Working Capital has increased in line with increase in revenue and the internal accruals are invested for the conduct of the business thus increasing the current ratio
Inventory Turnover	1.11	1.32	18.55%	Ratio has increased due to increase in average inventory
Receivable Turnover	8.86	4.22	-52.43%	Ratio has decreased due to increase in average trade receivables

10. Growth Strategy and Outlook

As AVP Infracon forges ahead, our strategy is centred on driving cost efficiency, expanding our geographic reach, and harnessing cutting-edge technology. The successful IPO in March 2024 has significantly strengthened our financial position, allowing us to pursue and execute larger, high-value projects. The launch of our third Ready Mix Concrete (RMC) plant in Tamil Nadu is a pivotal achievement, enhancing our ability to serve key regions like Dharapuram, Palani, and Oddanchatram more effectively.

Looking to the future, we are set to broaden our geographic footprint and form strategic joint ventures with leading infrastructure companies, which will amplify our capacity to tackle complex and large-scale projects. Our focus on technological upgrades and maintaining a robust in-house equipment fleet will drive greater operational efficiency and cost-effectiveness, further boosting our profitability and project margins.

Our dedication to innovation and strategic investments will underpin our efforts to elevate service capabilities and support the growing infrastructure demands across regions. At AVP Infracon, we are committed to delivering outstanding value to our stakeholders and solidifying our position as a leader in the infrastructure sector through dynamic growth and operational excellence. Our company has established a joint venture with M/s. Jawahar Constructions, focusing on four-laning road construction, with a 10% share. This joint venture is named JWP-AVP, and the contract value for this project is ₹ 14,535.03 lakhs. The project is currently in progress.

Additionally, we have formalized another joint venture with M/s CDR & Co. Constructions JV, holding a 20% share in the EPC contract's construction work. This joint venture is named CDR-AVP. The tender value for this project is ₹ 32,289 lakhs. We applied for this tender but were not allotted the contract as we were not the L1 bidder.

11. Risk and Mitigation

1. Financial Risks:

Substantial Working Capital: The business demands substantial working capital, and any delays in securing the necessary funds could negatively affect the financial performance.

Dependency on Government Projects: The majority of our income comes from agreements with a small number of government entities. If there are unfavourable changes in the policies of the central or state government, it could result in the closure, termination, restructuring, or renegotiation of our contracts, potentially impacting our business and financial performance significantly.

2. Operational Risks:

Concentrated Geographical Focus: The entirety of company's revenue is sourced from the State of Tamil Nadu which increases the vulnerability to unfavourable developments such as heightened competition, economic shifts, and demographic changes.

Other Uncertainties: The Projects face various implementation and other uncertainties, such as the risks of exceeding planned time and cost, which could have negative effects on the business, operational results, and overall prospects

3. Strategic Risks:

Joint Venture Challenges: Collaborating with other companies may lead to partnership conflicts or misaligned objectives, impacting project execution and success.

External Challenges: Challenges in effectively overseeing the expansion of our operations and implementing our growth strategies, potentially leading to adverse effects on our business, financial condition, operational results, and future prospects.

4. Market Risks:

Competitive Pressure: Intense competition and fluctuations in market demand could affect market share, pricing strategies, and overall revenue.

Technological Advancement: The prosperity of the business may be compromised if the company do not stay abreast of technological advancements within the construction industry.

12. Human Resource

Our people are our greatest asset. As of March 2024, we proudly employ 36 full-time staff and 67 contract professionals who play a vital role in driving the company's growth and success. We are dedicated to fostering a positive and productive workplace through well-rounded HR policies and practices that focus on attracting top talent, providing continuous training and development, and nurturing a culture of innovation and excellence. By prioritizing our employees' growth and well-being, we are building a motivated and skilled team that consistently delivers outstanding results. Our strategic HR initiatives are aligned with the company's objectives, enhancing operational efficiency and reinforcing our mission to be a leader in the infrastructure sector.

13. Corporate Social Responsibility

At G.Doss Memorial Trust, we are proud of the socio-economic development initiatives undertaken this year as part of our corporate social responsibility (CSR) efforts. With an investment of 14.25 lakhs, we focused on uplifting underprivileged communities through key areas such as education, healthcare, skill development, and infrastructure improvement. From increasing school enrollment rates to empowering individuals with self-employment skills and enhancing community

infrastructure with projects like solar streetlights and road improvements, our initiatives have made a meaningful impact on improving the quality of life for many. We remain committed to fostering long-term growth and self-sufficiency in these communities, and we look forward to expanding our reach in the coming years.

14. Internal Financial Control Systems and their adequacy

The Company has put in place an effective internal control system to synchronize its business processes, operations, financial reporting, fraud control, and compliance with extant regulatory guidelines and compliance parameters. The Company ensures that a standard and effective internal control framework operates throughout the organization, providing assurance about the safekeeping of the assets and the execution of transactions as per the authorization in compliance with the internal control policies of the Company.

The internal control system is supplemented by extensive internal audits, regular reviews by the management, and guidelines that ensure the reliability of financial and all other records. The management periodically reviews the framework, efficacy, and operating effectiveness of the Internal Financial Controls of the Company.

The Internal Audit reports are periodically reviewed by the Audit Committee. The Company has, in material respects, adequate internal financial control over financial reporting, and such controls are operating effectively. Internal Audits are carried out to review the adequacy of the internal control systems and compliance with policies and procedures. Internal Audit areas are planned based on inherent risk assessment, risk score, and other factors such as probability, impact, significance, and strength of the control environment. Its adequacy was assessed, and the operating effectiveness was also tested.

15. Cautionary Statement

The objectives, projections, outlook, expectations, estimates, and other information expressed in the Management Discussion and Analysis may be regarded as forward-looking statements under applicable securities laws and regulations. These statements are based on certain assumptions that cannot be guaranteed by the Company. Various factors, some of which may be beyond the Company's direct control, could significantly impact its operations. Consequently, actual results may differ materially from these projections, whether expressed or implied, due to factors beyond the Company's ability to effectively implement its growth strategy. The Company assumes no obligation to update or publicly amend, modify, or revise forward-looking statements to reflect subsequent developments, information, or events occurring after the date of the statement. The Management of AVP Infracon Limited presents below an analysis of its performance for the accounting year ended March 31, 2024 (covering the period from April 1, 2023, to March 31, 2024).

NOTICE TO SHAREHOLDERS

Notice is hereby given that the 15th Annual General Meeting of the Members of M/s. AVP Infracon Limited (the Company) will be held on Friday, 27th day of September 2024 at 12:00 P.M through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact the following businesses.

Ordinary Business

Item No. 1: To receive, consider and adopt the audited Standalone Financial Statements of the Company for the financial year ended 31st March 2024 and the Reports of the Board of Directors and Auditors thereon and in this regard, to consider and if thought fit, to pass the following resolutions as an Ordinary Resolution.

"RESOLVED THAT the audited Standalone financial statements of the Company for the financial year ended 31st March 2024 and the reports of the Board of Directors and Auditors thereon laid before this Meeting, be and are hereby received considered and adopted."

Item No. 2: To receive, consider and adopt the audited Consolidated financial statements of the Company for the financial year ended 31st March 2024 and the reports of the Auditors thereon, in this regard, to consider and if thought fit, to pass the following resolutions as an Ordinary Resolution:

"RESOLVED THAT the audited Consolidated financial statements of the Company for the financial year ended 31st March 2024 and the reports of the Auditors thereon, laid before this Meeting, be and are hereby considered and adopted."

Item No. 3: To appoint a director in place of Mr. Bollam Venkateshwaralu (DIN: 02720729), who retires by rotation and being eligible, offers himself for re-appointment as a Director and in this regard, to consider and if thought fit, pass the following resolution as an **Ordinary Resolution**.

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Bollam Venkateshwaralu (DIN: 02720729), who retires by rotation, at this Meeting and being eligible, has offered himself for re-appointment be and is hereby reappointed as Director of the Company liable to retire by rotation."

Special Business

Item No. 4: To approve and ratify the remuneration of the Cost Auditor(s) for the financial year ending 31st March 2025 and, in this regard to pass the following as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") 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), on the recommendation of the Audit Committee and approval of the Board of Directors the remuneration, as set out in the explanatory statement annexed to the Notice convening the Meeting, to be paid to M/s N. Sivashankaran & Co., Cost Auditor(s) as Cost Auditors appointed by the Board to conduct the audit of cost records of the Company for the financial year ending 31 March 2025, be and is hereby ratified.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take such steps and do such acts, deeds and things as may be necessary or desirable to give effects to this Resolution or incidental thereto."

Item No.5: To approve material related party transactions between the Company and M/s. AVP RMC (Partnership firm) and, in this regard, to consider and if thought fit, to pass the following as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions if any of the Companies Act, 2013 ("Act") read with the applicable rules issued under the Act (including any statutory modification(s) or re-enactment thereof, for the time being in force), Regulation 23(4), 2(1)(zc) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations'), the Company's Policy on Related Party Transaction(s) and all other applicable laws and regulations, as amended, supplemented or re-enacted from time to time, and on the basis of the approval of the Audit Committee and recommendation of the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include any Committee constituted/ empowered/to be

NOTICE TO SHAREHOLDERS

constituted by the Board from time to time to exercise its powers conferred by this Resolution) the consent of the members of the Company be and is hereby accorded to the Board to enter into, contract(s)/ arrangement(s)/ transaction(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) as mentioned in the explanatory statement, with M/s. AVP RMC, a Partnership Firm in which Directors of the company are interested as partners and accordingly a related party under Regulation 2(1)(zb) of the SEBI Listing Regulations and Section 2(76) of the Act, on such terms and conditions as may be agreed between the Company and M/s. AVP RMC, for purchase and sale of goods, rendering and receiving of services, and other related transactions for an aggregate value of up to Rs. 40 crore /- (Rupees Forty crores only) during the financial year 2024-25 subject to such contract(s)/ arrangement(s)/ transaction(s) being carried out at arm's length and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board, be and is hereby authorised, to do and perform all such acts, deeds, matters and things, as may be necessary, including finalising the terms and conditions, methods and modes in respect thereof and finalising and executing necessary documents, including contract(s), scheme(s), agreement(s) and such other documents, file applications and make representations in respect thereof and seek approval from relevant authorities, including Governmental/regulatory authorities, as applicable, in this regard and deal with any matters, take necessary steps as the Board may, in its absolute discretion deem necessary, desirable or expedient, to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board, be and is hereby authorised to delegate all or any of the powers herein conferred, to any Director(s) or Chief Financial Officer or any other Officer(s), Authorised Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution(s).

RESOLVED FURTHER THAT all actions taken by the Board or any person so authorized by the Board, in connection with any matter referred to or contemplated in any of the foregoing resolutions, be and are hereby approved, ratified and confirmed in all respects."

**By Order of the Board of Directors
For AVP INFRACON LIMITED**

**Dhandayuthapani Prasanna
Chairman & Managing Director
DIN: 02720759**

Place: Chennai

Date: 30/08/2024

NOTICE TO SHAREHOLDERS

Notes:

1. Pursuant to the General Circular Nos. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013", General Circular Nos. 20/2020 dated May 5, 2020, 10/2022 dated December 28, 2022 and subsequent circulars issued in this regard, the latest being 09/2023 dated September 25, 2023 in relation to "Clarification on holding of Annual General Meeting (AGM) through Video Conferencing (VC) or Other Audio Visual Means (OAVM)", (collectively referred to as "MCA Circulars") the Company is convening the 15th AGM through Video Conferencing (VC)/Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue.

Further, the Securities and Exchange Board of India (SEBI), vide its Circulars dated May 12, 2020, January 15, 2021, May 13, 2022, January 5, 2023 and October 7, 2023 (SEBI Circulars) and other applicable circulars issued in this regard, has provided relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

2. In compliance with the provisions of the Companies Act, 2013 (the Act), the Listing Regulations and MCA Circulars, the 15th AGM of the Company is being held through VC/OAVM on Friday, 27th September 2024 at 12:00 P.M. IST. The deemed venue for the AGM will be the Registered Office of the Company, i.e., Plot No. E-30, II nd Floor, II nd Avenue, Besant Nagar, Chennai, Tamil Nadu, India, 600090.
3. 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/OAVM, the requirement of physical attendance of members has been dispensed with. Accordingly, in terms of the MCA circulars and the SEBI 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 AGM are not annexed to this notice.
4. The Annual Report, Notice of the AGM and other documents sent through e-mail are also available on the Company's website <https://avpinfra.com/>
5. The Company has engaged the services of NSDL to provide VC facility and e-voting facility for the AGM.
6. The relevant Explanatory Statement pursuant to Section 102(1) of the Act, setting out the material facts concerning special business(s) as set out above in Item No.4 to 5 is annexed hereto. The relevant details required to be disclosed in respect to Directors seeking appointment/ re-appointment at this AGM pursuant to Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, "(LODR Regulations or Listing Regulations)". Secretarial Standards on General Meeting ("SS-2") issued by the Institute of Company Secretaries of India and other applicable provisions of the Act, have been provided in Annexure A to this Notice. Additional information as required under Listing Regulations and Secretarial Standard on General Meeting (SS-2) in respect of the Directors retiring by rotation at this Meeting is annexed hereto.
7. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
8. Corporate/Institutional Members are entitled to appoint authorized representatives to attend the AGM through VC/ OAVM on their behalf and cast their votes through remote e-voting or at the AGM. Corporate/ Institutional Members intending to authorize their representatives to participate and vote at the Meeting are requested to send a certified copy of the Board resolution/authorization letter to the Scrutiniser at email ID susant.fcs@gmail.com with a copy marked to evoting@nsdl.co.in and to the Company at cs@avpinfra.com authorizing its representative(s) to attend through VC/OAVM and vote on their behalf at the Meeting, pursuant to section 113 of the Act.
9. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at <https://avpinfra.com/>.

NOTICE TO SHAREHOLDERS

The Notice can also be accessed from the websites of the Stock Exchanges i.e. National Stock Exchange of India Limited (NSE-Limited) at www.nseindia.com respectively and is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

10. 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 Companies Act, 2013.
11. The Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of the Act and Register of Contracts or arrangements in which directors are interested maintained under section 189 of the Act and relevant documents referred to in this Notice of AGM and explanatory statement, will be available electronically for inspection by the Members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM, i.e. 27th September 2024. Members seeking to inspect such documents can send an email to cs@avpinfra.com.
12. Members seeking any information with regard to the accounts or any matter to be considered at the AGM, are requested to write to the Company on or before Friday, 20th September, 2024 to cs@avpinfra.com. The same will be replied by the Company suitably.
13. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc. For shares held in electronic form: to their Depository Participants ("DPs")
14. NOMINATION: Members holding shares in electronic form may contact their respective Depository Participants for availing this facility.
15. ELECTRONIC DISPATCH OF NOTICE AND ANNUAL REPORT In accordance with the MCA General Circular Nos. 20/2020 dated 5th May, 2020 and 10/2022 dated 28th December, 2022 and SEBI Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 5th January, 2023, the financial statements (including Board's Report, Auditors' Report or other documents required to be attached there with) for the Financial Year ended 31st March 2024 pursuant to section 136 of the Act and Notice calling the AGM pursuant to section 101 of the Act read with the Rules framed thereunder, such statements including the Notice of AGM are being sent only in electronic mode to those Members whose email addresses are registered with the Company/ its RTA viz Purva Share Registry India Private Limited or the Depository Participant(s) as at closing business hours on Friday, 30th August, 2024. The physical copies of such statements and Notice of AGM will be dispatched only to those shareholders who request for the same.

Members are requested to register/update their email addresses, in respect of electronic holdings with the Depository through the concerned Depository Participants.

16. SCRUTINISER FOR E-VOTING: Mr. Susanta Kumar Dehury, Practicing Company Secretary (Membership No. FCS- 7408, CP No 27050), proprietor of M/s SKD & Associates, Practicing Company Secretaries has been appointed as the Scrutiniser to scrutinise the e-voting process in a fair and transparent manner.
17. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast and make, not later than two working days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who will acknowledge the receipt of the same and declare the result of the voting forthwith.
18. The Scrutinizer after scrutinizing the votes cast at the meeting and through remote e-Voting will not later than two working days from the conclusion of the meeting, make a consolidated Scrutinizer's Report and submit the same to the Chairman. The results declared along with Scrutinizer's Report shall be placed on the website of the Company. The results shall simultaneously be communicated to stock exchanges where the shares of the Company are listed i.e. National Stock Exchange of India Limited placed on the Company's website <https://avpinfra.com/>.

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19. Subject to approval of the requisite number of votes, the Resolutions set out in this Notice for the AGM shall be deemed to be passed on the date of the meeting i.e. Friday, 27th day of September, 2024.
20. In case of joint holders attending the meeting, only such joint holder who is higher in the order of name will be entitled to vote.
21. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs, the Company is providing 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 National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
22. The Companies (Management and Administration) Rules, 2014 stipulate that the remote electronic voting period shall close at 05:00 P.M (IST) on the date preceding the date of AGM. Accordingly, the remote e-Voting period will commence at 09:00 A.M (IST) on Tuesday, 24th September 2024 and will end at 05:00 P.M (IST) on Thursday, 26th September, 2024. The remote e-Voting will not be allowed beyond the aforesaid period and time, and the remote e-Voting module shall be disabled by NSDL.
23. Members may please note that SEBI vide its Circular No. SEBI/ HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialised form only while processing service requests viz. issue of duplicate securities certificate; claim from an unclaimed suspense account; renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/ folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4 for the above-mentioned requests and surrender their original securities certificate(s) for processing of service requests to the RTA. The RTA shall thereafter issue a 'Letter of confirmation' in lieu of physical securities certificate(s), to the securities holder/claimant within 30 days of its receipt of such request after removing objections, if any. The 'Letter of Confirmation' shall be valid for a period of 120 days from the date of its issuance, within which the securities holder/claimant shall make a request to the DP for dematerialising the said securities. Form ISR-4 is available on the website of RTA. It may be noted that any service request can be processed only after the folio is KYC Compliant.
24. As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in Form ISR-3 or SH-14 as the case may be. Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to Company's Registrars and Transfer Agents, Purva Share Registry (India) Private Limited in case the shares are held in physical form
25. The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the RTA of the Company.
26. The cut-off date for the purpose of determining the Members eligible for participation in remote e-voting (e-voting from a place other than venue of the AGM) and voting at the AGM is Friday, 20th September, 2024. Please note that Members can opt for only one mode of voting i.e., either by voting at the meeting or remote e-voting. If Members opt for remote e-voting, then they should not vote at the Meeting and vice versa. However, once an e-vote on a resolution is cast by a Member, such Member is not permitted to change it subsequently or cast the vote again. Members who have cast their vote by remote e-voting prior to the date of the Meeting can attend the Meeting and participate in the Meeting, but shall not be entitled to cast their vote again.

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27. Any person who acquires shares of the Company and becomes a Member of the Company after the dispatch of the Notice and holding shares as on the cut-off date, i.e., 20th September, 2024, may obtain the User ID and password by sending a request at evoting@nsdl.co.in or cs@avpinfra.com. 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 may reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following Toll-free no. 1800-222-990. Only a Member who is entitled to vote shall exercise his/her/its vote through e-voting and any recipient of this Notice who has no voting rights as on the Cut-off Date should treat the same as intimation only.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER: -

The remote e-voting period begins on Tuesday, the 24th September 2024 at 09:00 A.M. and ends on Thursday, 26th September, 2024 at 05:00 P.M. 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, 20th September 2024, 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 on the cut-off date, being Friday, 20th September 2024.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on 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 virtual meeting for Individual shareholders holding securities in demat mode

In terms of 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 email Id 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.	<ol style="list-style-type: none"> Existing IDEAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDEAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDEAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDEAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

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Type of shareholders	Login Method
	<ol style="list-style-type: none"> 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. 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 hold 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 company name or e-Voting service provider i.e. 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. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. <div style="text-align: center;"> <p>NSDL Mobile App is available on</p>  </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 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 e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. 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 company name or e-Voting service provider i.e. 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.

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.

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Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

B) Login Method for e-Voting and joining virtual meeting 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:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. 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 email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL

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account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

- (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids 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.com 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" of company 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 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

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer Mr. Susanta Kumar Dehury by e-mail to susant.fcs@gmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI 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.

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- 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.
- 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 or send a request to evoting@nsdl.com

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

- In case shares are held in physical mode please provide Folio No., Name of shareholder, 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) by email to cs@avpinfra.com
- In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID 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 cs@avpinfra.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
- Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.

In terms of 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER: -

- The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- 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.
- 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.
- 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.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH

VC/OAVM ARE AS UNDER:

- 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 meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join 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.

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- Members are encouraged to join the Meeting through Laptops for better experience.
- Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- 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 network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- Members are encouraged to submit their questions in advance with regard to the financial statements or any other matter to be placed at this 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 cs@avpinfra.com before 5.00 p.m. (IST) on Monday, September 23rd 2024. Such queries will be appropriately responded by the Company
- Shareholders 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 names, DP ID and Client ID/ folio number, PAN and mobile number at cs@avpinfra.com. Pre-registration should be done between Saturday, September 22, 2024 (9:00 a.m. IST) and Wednesday, September 25, 2024 (5:00 p.m. IST). The same will be replied by the company suitably.

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (THE "ACT") AND THE SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI") (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 ("LISTING REGULATIONS")

The following Statement sets out all material facts relating to the Ordinary/Special Business mentioned in the accompanying Notice.

Item No. 4. To approve and ratify the remuneration of the Cost Auditor(s) for the financial year ending 31st March 2025

The Board of Directors of the Company, on the recommendation of the Audit Committee, approved the appointment and remuneration of /s N. Sivashankaran & Co., Cost Accountant, to conduct the cost audit of the Company for the financial year ending 31st March, 2025 for a remuneration of Rs. 75,000 (excluding taxes) plus out of pocket expenses. In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a) (ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the Members of the Company. Accordingly, consent of the Members is sought to ratify the remuneration payable to the Cost Auditors. The Board recommend the resolution as set out for approval of members

None of the Directors or Key Managerial Personnel and their relatives, are concerned or interested (financially or otherwise) in this Resolution

Item No. 5 To approve material related party transactions between the Company and M/s. AVP RMC (Partnership firm)

The Company being an SME listed on NSE EMERGE Platform, Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations'), is not applicable at this juncture. However, the Company has decided to seek the shareholder approval for this transaction considering the higher standard of corporate governance and transparency it follows while doing business.

In term of Regulation 23 of SEBI Listing Regulations as amended, any transactions with a related party shall be considered material, if the transaction(s) entered into/ to be entered into individually or taken together with the previous transactions during a financial year exceeds ₹1,000 crore or 10% of annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower, and shall require prior approval of shareholders by means of an ordinary resolution. The said limits are applicable, even if the transactions are in the ordinary course of business of the concerned company and at an arm's length basis.

M/s. AVP RMC (Firm bearing Registration No. 523/2017, a partnership Firm in which Company is a Partner with 90% share and in two of the Directors of the company viz., Mr. Dhandayuthapani Prasanna, Managing Director, Mr. Bollam Venkateshwaralu Joint

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Managing Director are partners. The Company has been doing business transactions involving sale and purchase of products/materials with AVP RMC as part of its business. The transactions with AVP RMC enables the company to meet its materials requirements on a timely and cost effective manner. As the company is holding 90% of shares in AVP RMC, it also benefit out of the profits earned by AVP RMC. The transactions with AVP RMC have been carried out on an arms' length basis and in the ordinary course of business of the Company. The Management has provided the Audit Committee with the relevant details, as required under law, of the related party transactions including material terms and basis of pricing. The Audit Committee, after reviewing all necessary information, has granted approval for entering into these transactions with the related party viz., M/s. AVP RMC for an aggregate value of up to ₹40,00,00,000/- during FY 2024-25.

The transactions with the aforesaid partnership firms help in generating revenue and enhance business operations for the company as well as the entities involved. The Management has provided the Audit Committee with the relevant details, as required under law, of various proposed RPTs including material terms and basis of pricing. The Audit Committee, after reviewing all necessary information, has granted approval for entering into RPTs with M/s. AVP RMC for an aggregate value as stated in the resolutions. While granting approval, the Committee has noted that the said transactions will be on an arms' length basis and in the ordinary course of business of the Company.

Details of the proposed transactions with AVP RMC, being a related party of the Company, including the information pursuant to SEBI Master Circular no. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 are as follows:

1. Details of Summary of information provided by the Management to the Audit Committee

S. No.	Particulars	Description
A.	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	M/s. AVP RMC -a Partnership Firm bearing Registration No. 523/2017, The Company holds 90% of shares in the above firm as a Partner with Mr. Dhandayuthapani Prasanna, Managing Director, Mr. Bollam Venkateshwaralu Joint Managing Director are the other partners.
B.	Name of the director or key managerial personnel who is related, if any and nature of relationship	Mr. Dhandayuthapani Prasanna, Managing Director, Mr. Bollam Venkateshwaralu Managing Director along with the Company are the partners of M/s. AVP RMC.
C	Nature, material terms, monetary value and particulars of contracts or arrangement	The operational transaction involves of sale and purchase of goods involving the Company and M/s. AVP RMC. The value of the transactions during the FY 2024-25 is estimated as up to Rs. 40,00,00,000/-
D	Value of transaction	Refer C above
E	Percentage of annual consolidated turnover of the Company considering FY 2023-24 as the immediately preceding financial year	24.76%
2.	Justification for the transaction	Detailed in the explanatory statement above
3	Details of transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary: Not applicable	
(i)	details of the source of funds in connection with the proposed transaction	Not applicable
(ii)	where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments	Not applicable
-	Nature of indebtedness;	Not applicable
-	cost of funds; and	Not applicable
-	tenure	Not applicable

NOTICE TO SHAREHOLDERS

S. No.	Particulars	Description
(iii)	applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	Not applicable
(iv)	the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	Not applicable
4.	Any other information that may be relevant	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Companies Act, 2013 forming part of this Notice.

Arm's length pricing:

The related party transaction(s)/contract(s)/arrangement(s) mentioned in this proposal has not been evaluated by any external independent person. However, based on the management representation and the details provided to the Audit Committee, the Committee has confirmed that the proposed terms of the contract/agreement meet the arm's length testing criteria. The related party transaction(s)/ contract(s) /arrangement(s) also qualifies as contract under ordinary course of business.

In terms of the provisions of the SEBI Listing Regulations, the related parties as defined thereunder (whether such related party(ies) is a party to the aforesaid transactions or not), shall not vote to approve resolution.

Basis the consideration and approval of the Audit Committee, the Board of Directors recommend the Ordinary Resolution forming part of Item No. 5 of the accompanying Notice to the shareholders for approval.

Except Mr. Dhandayuthapani Prasanna (DIN- 02720759), Chairman and Managing Director, Mr. Bollam Venkateshwaralu (DIN-02720729), Joint Managing Director & CFO, Mr. Dhandayuthapani Vasanth (DIN-10330344), Whole Time Director and Ms. Dhandayuthapani Bhagyavathy (DIN-10341505), Director, none of the Directors and/ or Key Managerial Personnel of the Company and/or their respective relatives are concerned or interested either directly or indirectly, in the Resolution mentioned at Item No. 5 of the Notice.

By Order of the Board of Directors

For AVP INFRACON LIMITED

Dhandayuthapani Prasanna

Chairman & Managing Director

DIN: 02720759

Place: Chennai

Date: 30/08/2024

NOTICE TO SHAREHOLDERS

Annexure- A

DETAILS OF DIRECTOR SEEKING APPOINTMENT/RE-APPOINTMENT IN THE FORTHCOMING ANNUAL GENERAL MEETING [PURSUANT TO REGULATION 36(3) OF SEBI (LISTING AND OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARDS-2 ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA]

Name of the Director	Bollam Venkateshwaralu
DIN	02720729
Date of Birth	July 17, 1981
Date of first appointment on the Board	09/09/2009
Qualification	Bachelor of Engineering in Information & Technology
Nature of expertise in specific functional areas	He has 18 years of experience in infrastructure sector and networking
Disclosure of relationships between directors inter-se	Nil
Names of listed entities in which the person also holds the directorship	Nil
The membership of Committees of the board	Nil
listed entities from which the person has resigned in the past three years	Nil
Shareholding of directors in the Company as on 31.03.2024	57,00,000 Equity Shares
Number of meetings of the Board attended during the year	He attended all (26) the Board meetings held during FY 2023-24.
Directorship of other Companies as on 31 st March, 2024	Nil
Chairmanship/Membership of Other committees of Companies as on 31 st March 2024	Nil
Memberships/ Chairmanships of committees of other Companies as on 31 st March 2024	Nil

By Order of the Board of Directors

For AVP INFRACON LIMITED

Dhandayuthapani Prasanna

Chairman & Managing Director

DIN: 02720759

Place: Chennai

Date: 30/08/2024

BOARD'S REPORT

Dear Members,

The Board of Directors have pleasure in presenting the 15th Board's Report of the Company together with the Audited financial statements (standalone and consolidated) for the financial year ended 31st March, 2024.

FINANCIAL RESULTS AND STATE OF COMPANY AFFAIRS

The Company's financial performance for the year ended 31st March 2024 is summarized below:

(Amount in ₹ In Lakhs)

Particulars	STANDALONE		CONSOLIDATED	
	2023-24	2022-23	2023-24	2022-23
Revenue from operations	15100.24	10633.56	16086.79	11498.08
Other Income	174.38	81.84	68.84	52.00
Total Revenue	15274.61	10715.40	16155.63	11550.08
Employee Benefit Expenses	647.81	346.80	807.89	507.77
Cost of Consumption	8530.37	4741.15	8528.28	4696.28
Other Direct Expenses	2564.64	3341.80	2966.44	3775.54
Finance Costs	648.13	371.77	710.07	438.82
Depreciation And Amortization Expenses	279.57	234.66	337.94	380.16
Other Expenses	192.78	175.42	249.14	228.61
Total Expenses	12863.30	9211.60	13599.77	10027.17
Profit before Tax	2411.32	1503.81	2555.87	1522.91
Current Tax	572.56	359.21	638.53	374.95
Deferred Tax	9.67	(7.18)	34.66	(7.18)
Tax Adjustment for earlier years	-	-	-	-
Profit After Tax	1829.08	1151.77	1882.68	1155.14
Minority Interest	-	-	(16.01)	(3.36)
Profit for period from continuing operations				
	1829.08	1151.77	1866.67	1151.78

COMPANY PERFORMANCE OVERVIEW:

During the financial year 2023-24, revenue from operations of the Company on a standalone basis stood at ₹ 151.00 crores as against ₹ 106.33 crores in the previous year 2022-23 a growth of 42.01 %. The total expenditure of the company was ₹128.63 Crores (on Standalone basis) as against ₹92.11 Crores in the previous year 2022-23, an increase of 39.65 %. Profit before exceptional items and tax for the current year is ₹ ₹24.11 crores as against ₹ 15.04 crores in the previous year 2022-23 a growth of 60.31 %. Profit after tax for the current year is ₹18.29 crores as against ₹ 11.53 crores in the previous year 2022-23 a growth of 58.63%.

During the financial year 2023-24, revenue from operations on a consolidation basis stood at ₹161.56 Crores as against ₹115.50 Crores in the previous year 2022-23 a growth of 39.87 %. The total expenditure of the company was ₹135.99 Crores as against ₹100.27 Crores in the previous year 2022-23, an increase of 35.63 %. The consolidated Profit before exceptional items and tax for the current year is ₹25.56 crores as against ₹ 15.23 crores in the previous year 2022-23 a growth of 67.83%. The consolidated Profit after tax for the current year is ₹18.67 crores as against ₹ 11.52 crores in the previous year 2022-23 a growth of 62.07%.

BOARD'S REPORT

BUSINESS OUTLOOK

The Company is mainly involved in the construction of projects based on Bill of Quantities (BOQ) and Engineering, Procurement and Construction (EPC) methods for all types of infrastructure development works, construction works and high value projects.

Considering the increased expenditure in infrastructure development and overall growth in the economy, the company expects substantial increase in its order book which will reflect in both revenue and profits going forward.

A more detailed explanation on the business and the performance of the Company has been provided in the Management Discussion and Analysis Report, which is forming part of the Annual Report as Annexure- I.

DIVIDEND:

The Company is in the growth phase and is in the process of expanding its business activities. Considering the increased fund requirements for the expansion activities and to augment working capital requirements, your directors do not recommend any dividend for the financial year ended March 31, 2024.

To bring transparency in the matter of declaration of dividend and protect the interests of investors, the company had adopted a Dividend Policy since listing of its shares. The policy has been displayed on the Company's website at link <https://www.avpinfra.com/>.

TRANSFER TO RESERVES

During the year, the company had not transferred any amount to the General Reserves. No amount is proposed to be transferred to reserves during the year under review.

QUALITY ASSURANCE

Your Company is an ISO 9001:2015 company, in the area of Quality Management System. Your company also has ISO 14001:2015 certificate in the area of Environmental Management System. Also, the Company is ISO 45001:2018 in the area of Occupational Health & Safety Management System.

AWARDS, RECOGNITION AND CERTIFICATIONS

The company has obtained various certifications which includes ISO Certificate 45001:2018, 14001:2015 and 9001:2015 which stands testimony for the highest standards of quality and safety maintained by the Company in respect of its operations and services

UNCLAIMED DIVIDEND

In the absence of any declaration of dividend in the past, the Company does not have any unpaid/unclaimed dividend coming under the purview of Section 124(5) of the Act to be transferred to Investors Education and Protection Fund ("IEPF") of the Central Government.

MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There have been 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 the financial statements relate and the date of this report, which forms part of this report.

CHANGE IN STATUS OF THE COMPANY

The Company was converted into a Public Limited Company pursuant to approval of the Shareholders at an Extraordinary General Meeting held on October 20, 2023 and consequently, the name of the Company was changed to "AVP Infracon Limited" and a Fresh Certificate of Incorporation consequent upon conversion from Private Company to Public Company was issued by Registrar of Companies, Chennai dated November 17, 2023 with Corporate Identification Number U45400TN2009PLC072861. The Corporate Identification Number of the Company after listing of its shares is changed to L45400TN2009PLC072861.

ALTERATION OF MEMORANDUM OF ASSOCIATION AND ARTICLES OF ASSOCIATION

During the year, there were no change in the object clause(s) of Memorandum of Association (MoA). However, there was change in the Capital clause consequent to the increase in Authorised capital.

The Articles of Association (AoA) of the Company has been substituted with the new set of Articles consequent to the conversion of status of the company from Private Limited to Public Limited Company. The members have approved the above changes at their Extra-ordinary General Meeting held on October 20, 2023.

CHANGE IN THE NATURE BUSINESS

During the year under review, there was no change in the nature of the Company's business.

BOARD'S REPORT

SHARE CAPITAL

During the year, the share capital of the Company has undergone the following changes: -

- Authorized share capital was increased from ₹5,00,00,000 divided into 50,00,000 Equity Shares of ₹10/- each to ₹25,00,00,000 divided into 2,50,00,000 Equity Shares of ₹10/- each which was approved by the Shareholders at the Annual General Meeting held on September 30, 2023.
- The company has issued 1,32,00,000 Equity Shares of ₹10/- each as bonus shares to the existing shareholders. Consequent to the bonus issue of shares, the issued and paid up capital became ₹18,00,00,000/- comprising of 1,80,00,000 equity shares of ₹10/- each.
- The company has issued 69,79,200 Equity Shares of ₹10/- each at a price of ₹ 75/- per share (including a share premium of ₹ 65/- per equity share under its Initial Public Offer (IPO). Consequent to successful completion of IPO, the paid-up capital of the company became ₹ 24,97,92,000/- comprising of 2,49,79,200 equity shares of ₹10/- each.

Apart from the above-mentioned changes, there were no changes in the Authorized, issued, subscribed, and paid-up share capital of the Company during the year. Further it is hereby confirmed that, the Company has not:

- issued any shares, warrants, debentures, bonds, or any other convertible or non-convertible securities.
- issued equity shares with differential rights as to dividend, voting or otherwise
- issued any sweat equity shares to its directors or employees
- made any change in voting rights
- reduced its share capital or bought back shares
- changed the capital structure resulting from restructuring
- failed to implement any corporate action

The Company's securities were not suspended for trading during the year since its listing.

INITIAL PUBLIC OFFER (IPO)

During the year under review, the Company successfully completed its IPO involving fresh issue of 69,79,200 Equity Shares of ₹10/- each at a price of ₹ 75/- per share (including a

share premium of ₹ 65/- per equity share), which received an overwhelming response from the investors. This achievement demonstrates success and credibility of our business model and strategies.

UTILIZATION OF FUNDS RAISED THROUGH PUBLIC ISSUE

The Company had raised an amount of ₹ 52.34 Crore through its Initial Public Offer (IPO) during March 2024. Consequent to this, the equity shares are listed on EMERGE Platform of National Stock Exchange of India Ltd. The proceeds of aforesaid issue are being utilized, for the purpose for which it was raised by the Company in accordance with the terms of the issue. As on date of this report there was no deviation(s) or variation(s) in the utilization of public issue proceeds from the objects as stated in the prospectus dated March 18, 2024.

PUBLIC DEPOSITS

The Company has not accepted any deposits from public falling within the ambit of section 73 and Section 76 of the Act, read with the Companies (Acceptance of Deposits) Rules, 2014. Hence, no disclosure is required under Rule 8(5)(v) and (vi) of the Companies (Accounts) Rules, 2014.

BORROWINGS

As on March 31, 2024, an amount of ₹5936.89 Lakhs was outstanding towards borrowings, which comprises of both secured and unsecured loans.

COMPLIANCE OF SECRETARIAL STANDARDS

The Company is in compliance with the applicable Secretarial Standards i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively issued by the Institute of Company Secretaries of India ('ICSI') and approved by the Central Government under Section 118 (10) of the Act for the Financial Year ended 2023-24.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- in the preparation of the annual accounts for the financial year ended March 31, 2024, the applicable accounting standards have been followed and there are no material departures from the same;
- the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as

BOARD'S REPORT

to give a true and fair view of the state of affairs of the Company as at March 31, 2024 and of the profit of the Company for the 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 Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a going concern basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED UNDER SECTION 186 OF THE ACT

The Company has not given any Loans, made any Investments, given any Guarantees and provided any Securities during the Financial Year coming under the purview of Section 186 of the Companies Act, 2013 during the year under review except that the investment in the partnership firm viz., AVP RMC. The details of investments are provided under Note.13 of the Notes to financial statements.

CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES UNDER SECTION 188(1) OF THE ACT

All the transactions with related parties were in the ordinary course of the business and on the arm's length basis and are reported in the Notes to Financial Statements. The related party transactions entered into by the company during the year under review have been approved by both Audit Committee and the Board. The details of materially significant related party transactions entered into by the Company are disclosed in Form AOC- 2 pursuant to Section 134(3) of the Act and enclosed as Annexure [2] to this report.

Further approval is being sought from the members for approval of related party transactions involving AVP RMC as per the details provided in the Notice of convening Annual

General Meeting seeking approval of the members. You may also refer to Related Party transactions in Note No. 30 (23) (Other Notes to Accounts of the Standalone Financial Statements for more details.

ANNUAL RETURN

Pursuant to the provisions of Section 92(3) and Section 134(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014 as amended from time to time, the Annual Return of the Company as on 31st March, 2024 is available on the Company's website and can be accessed at <https://www.avpinfra.com/>.

DIRECTORS OR KEY MANAGERIAL PERSONNEL:

A. COMPOSITION OF THE BOARD OF DIRECTORS:

As of 31st March 2024, the Board of Directors comprised of 7 Directors which includes 3 Independent Directors (including 1 women Independent Director), 1 Non-Executive Director and 3 Executive Directors which includes Chairman & Managing Director, Joint Managing Director & CFO & a Whole Time Director

Brief profile of Directors is available at Company's website at <https://www.avpinfra.com/>. The composition of the consists of a combination of Executive and Non-Executive Directors and not less than 1/3rd of the Board comprising of Independent Directors.

B. NUMBER OF BOARD MEETINGS AND ATTENDANCE OF DIRECTORS

During the Financial Year 2023-24, the Company held 26 (Twenty-Six) board meetings of the Board of Directors as per Section 173 of Companies Act, 2013, viz 19th April'23, 19th May'23, 14th June'23, 15th June'23, 19th June'23, 21st June'23, 24th June'23, 11th August'23, 22nd August'23, 25th August'23, 1st September'23, 7th September'23, 22nd September'23, 26th September'23, 29th September'23, 9th October'23, 20th October'23, 2nd November'23, 17th November'23, 11th December'23, 22nd December'23, 6th January'24, 5th March'24, 12th March'24, 18th March'24, 18th March' 24. The provisions of Companies Act, 2013 were adhered to while considering the time gap between two meetings.

BOARD'S REPORT

The composition of the board and the details of meetings attended by its members are given below:

S NO	DIRECTOR	DESIGNATION	NO. OF MEETING ENTITLED	NO. OF MEETING ATTENDED
1	D. Prasanna	Chairman & Managing Director (DIN: 02720759)	26	26
2	Bollam Venkateshwarlu	Joint Managing Director & CFO (DIN: 02720729)	26	26
3	D. Vasanth	Whole Time Director (DIN: 10330344)	10	10
4	D. Bhagyavathy	Non-Executive Director (DIN: 10341505)	10	10
5	Priya Rao	Independent Director (DIN: 00717336)	9	9
6	Chellasamy Rajendran	Independent Director (DIN: 10345090)	9	9
7	Rajan Ethiraja	Independent Director (DIN: 09688086)	8	8

Detailed agenda with explanatory notes and all other related information is circulated to the members of the Board in advance of each meeting. Detailed presentations are made to the Board covering all major functions and activities. The requisite strategic and material information is made available to the Board to ensure transparent decision making by the Board

The Company did not have any pecuniary relationship or transactions with the Non-Executive Directors of the Company other than payment of the sitting fees for attending meetings. During FY 2023-24, the Company did not advance any loan to any of its Directors. Further, no loans and advances in the nature of loans to firms/companies in which directors are interested was given by the Company and its Associates/JV.

The Non-Executive Directors including Independent Directors are entitled for sitting fees for attending meetings of the board/ committees thereof. The Company pays sitting fees of ₹20,000/- per meeting to its Non-Executive Independent Directors who are not forming part of promoter/promoter group for attending the meetings of Board and Committees.

Remuneration of the executive directors consists of a salary and other benefits. The Nomination and Remuneration Committee makes annual appraisal of the performance of the Executive Directors based on a detailed performance evaluation, and recommends the compensation payable to them, within the parameters approved by the shareholders, to the Board for their approval.

C. CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of Section 152 of the Companies Act, 2013, and the Articles of Association of the Company, Mr. B. Venkateshwarlu (DIN: 02720729) Director of the Company, retire by rotation at the ensuing Annual General Meeting. The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, has recommended his re-appointment. Details of the Directors retiring by rotation/ seeking re-appointment have been furnished in the explanatory statement to the notice of the ensuing AGM.

The following are the changes in the Board of Directors/KMPs of the Company during the year under review:

Name	DIN/PAN	Particulars	Effective Date/ Appointment/ Resignation
Mr. Dhandayuthapani Prasanna	02720759	Re-appointment as Chairman & Managing Director and as Chief Executive Officer (CMD & CEO)	01-10-2023
Mr. Bollam Venkateshwaralu	02720729	Re-appointment as Joint Managing Director	01-10-2023

BOARD'S REPORT

Name	DIN/PAN	Particulars	Effective Date/ Appointment/ Resignation
Mr. D. Vasanth	10330344	Appointment as Director & Whole time Director	20-10-2023
Mrs. D. Bhagyavathy	10341505	Appointment as Non-Executive Director	20-10-2023
Mrs. Priya Rao	00717336	Appointment as Independent Director	20-10-2023
Mr. Chellasamy Rajendran	10345090	Appointment as Independent Director	20-10-2023
Mr. Rajan Ethiraja	09688086	Appointment as Independent Director	17-11-2023
Mr. Bollam Venkateshwarlu	02720729	Appointment as Chief Finance Officer (CFO)	17-11-2023
Ms. Priyanka Singh	BWFPS0084L	Appointment as CS & Compliance Officer	18-12-2023

The Board of Directors of the company are of the opinion that all the Independent Directors of the company appointed / re-appointed during the year possess impeccable integrity, relevant expertise and experience required to best serve the interests of the company.

AUDITORS AND AUDITORS' REPORT

A. STATUTORY AUDITORS AND THEIR REPORT

During the year under review, pursuant to the provisions of Section 139 of the Act and Rules made thereunder, M/s. P P N and Company, Chartered Accountants, (FRN: 013623S) were appointed as Statutory Auditors of the Company for a term of five consecutive years, to hold office from the conclusion of the Fourteenth (14th) Annual General meeting held on September 30, 2023 until the conclusion of Nineteenth (19th) AGM of the Company to be held in the calendar year 2028. The Auditors have also confirmed that they have subjected themselves to the peer review process of Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the Peer Review Board of the ICAI.

M/s. P P N and Company, Chartered Accountants, have submitted their Report on the Financial Statements of the Company for the FY 2023-24, which forms part of the Annual Report 2023- 24. There are no observations (including any qualification, reservation, adverse remark or disclaimer) of the Auditors in the Audit Reports issued by them which call for any explanation/comment from the Board of Directors.

Statutory Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Act, in the year under review.

B. COST RECORDS AND COST AUDIT / COMPLIANCE:

During the year under review, in accordance with Section 148(1) of the Act, read with Rule 3 of Companies (Cost Records and Audit) Rules 2014 as amended,

the Company has maintained the accounts and cost records, as specified by the Central Government. The Board of Directors at their meeting held on May 29, 2024 had appointed M/s N. Sivashankaran & Co., Cost Accountants, Chennai, Membership No-26818, Firm Registration No: 100662, as Cost Auditors of the Company, for conducting the audit of cost records relating to Roads and other infrastructure Projects for the financial year ended March 31, 2025, at a remuneration of Rs.75,000/ (Rupees Seventy-Five Thousand only) plus applicable taxes, reimbursement of out-of pocket expenses and other incidental expenses. The remuneration of the cost auditor is required to be ratified by the members in accordance with the provisions of Section 148(3) of the Companies Act, 2013 and Rule 14 of Companies (Audit and Auditors) Rules, 2014. Accordingly, the matter relating to their remuneration had been included in the Notice convening the 15th Annual General Meeting scheduled to be held on 27th day of September 2024, for ratification by the Members.

The Cost Audit Report for the financial year 2023-24 due to be submitted by the Cost Auditor within 180 days from the closure of the financial year will be filed with Ministry of Corporate Affairs, within 30 days of such submission.

C. SECRETARIAL AUDITOR AND THEIR REPORT

M/s. SKD & Associates, Company Secretaries (Firm Regn. No. S2023TN958600), were appointed as Secretarial Auditors of the Company for the financial year 2023-24. The Secretarial Audit Report submitted by them for the said financial year in the prescribed form MR3 pursuant to the provisions of Section 204 of the Act is annexed as ANNEXURE IV to this report. The Secretarial Auditors' Report for the Financial year 2023-24 does not contain

BOARD'S REPORT

any qualification, reservation or adverse remarks.

M/s. SKD & Associates, Company Secretaries have been reappointed to conduct the secretarial audit of the Company for FY 2024-25. They have confirmed that they are eligible for the said appointment.

D. INTERNAL AUDITOR:

In terms of the provision of section 138 of the companies Act, 2013 with rule 13 of the Companies (Accounts) Rules, 2014, KEK & Associates has been appointed as Internal Auditors of the Company to conduct internal audit. The Audit Committee reviews the internal audit report.

INTERNAL FINANCIAL CONTROL SYSTEM

The Company has put in place an effective internal control system to synchronize its business processes, operations, financial reporting, fraud control, and compliance with extant regulatory guidelines and compliance parameters. The Company ensures that a standard and effective internal control framework operates throughout the organization, providing assurance about the safekeeping of the assets and the execution of transactions as per the authorization in compliance with the internal control policies of the Company.

The internal control system is supplemented by extensive internal audits, regular reviews by the management, and guidelines that ensure the reliability of financial and all other records. The management periodically reviews the framework, efficacy, and operating effectiveness of the Internal Financial Controls of the Company.

The Internal Audit reports are periodically reviewed by the Audit Committee. The Company has, in material respects, adequate internal financial control over financial reporting, and such controls are operating effectively. Internal Audits are carried out to review the adequacy of the internal control systems and compliance with policies and procedures. Internal Audit areas are planned based on inherent risk assessment, risk score, and other factors such as probability, impact, significance, and strength of the control environment. Its adequacy was assessed, and the operating effectiveness was also tested.

COMPLIANCE TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION, AND REDRESSAL) ACT, 2013 READ WITH THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION, AND REDRESSAL) RULES, 2013.

The Company has zero tolerance for sexual harassment at workplace and has a mechanism in place for prevention,

prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. The Company is committed to provide equal opportunities without regard to their race, caste, sex, religion, color, nationality, disability, etc. All employees are treated with dignity with a view to maintain a work environment free of sexual harassment whether physical, verbal or psychological. All employees (permanent, contractual, temporary, trainees) are covered.

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment at workplace. During the year under review, Company has not received any complaints on sexual harassment and hence there are no complaints pending as on the end of the Financial Year 2023-24 on sexual harassment.

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

The Company has not received any significant or material orders passed by any regulatory authority, court or tribunal which shall impact the going concern status and Company's operations in future.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), is presented in a separate section, forming part of the Annual Report.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

The Statutory Auditors, Cost Auditors or Secretarial Auditors of the Company have not reported any frauds to the Audit Committee or to the Board of Directors under section 143(12) of the Act, including rules made there under.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

In compliance with Section 135 of the Companies Act, 2013 read with the Rules made thereunder, the Company has formed Corporate Social Responsibility ("CSR") Committee.

BOARD'S REPORT

The Company has framed a Corporate Social Responsibility (CSR) Policy as required under Section 135 of the Companies Act, 2013 read with Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, to oversee the CSR activities initiated by the Company. The CSR Committee has adopted a CSR Policy in accordance with the provisions of Section 135 of the Companies Act, 2013 and rules made thereunder. The details of the CSR initiatives undertaken by the Company during the FY 2023-24 in the prescribed format are annexed as Annexure- V.

RISK MANAGEMENT

Pursuant to provisions of Section 134(3)(n) of the Companies Act, 2013 and Regulation 17(9) & 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has constituted the Risk Management Committee and laid down a framework to inform the Board about the particulars of Risks Identification, Assessment and Minimization Procedures. In the opinion of the Board, there is no such risk, which may threaten the existence of the Company.

During the year, such controls were tested and no material discrepancy or weakness in the Company's internal controls over financial reporting was observed.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are provided in ANNEXURE VI to this Report.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Board, based on the recommendation of the Nomination and Remuneration Committee, has framed a policy for the selection and appointment of Directors and Senior Management Personnel and their remuneration. The Company's policy relating to the Directors appointment, payment of remuneration and discharge of their duties is available on the website of the Company at <https://www.avpinfra.com/>

PARTICULARS OF EMPLOYEES

Employee relations continued to be cordial during the year under review. The Company continued its thrust on Human Resources Development

Disclosures required under the provisions of Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, containing, inter-alia, the ratio of remuneration of Directors to median remuneration of employees, percentage increase in the median remuneration, are annexed to this Report as ANNEXURE- VII.

A statement containing the particulars of the top ten employees and the employees drawing remuneration in excess of limits prescribed under Section 197(12) of the Act, read with Rules 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is an annexure forming part of this Report. In terms of the proviso to Section 136(1) of the Act, the Report and Accounts are being sent to the Members excluding the aforesaid annexure. The said statement is kept open for inspection during working hours at the Registered Office of the Company. Any member who is interested in obtaining these, may write to the Company Secretary at the Registered Office of the Company.

PARTICULARS OF HOLDING, SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE

As on 31st March 2024, the company does not have any subsidiary company. However, it is majority partner in one partnership firm viz., M/s. AVP RMC- Firm bearing Registration No. FR/Trichy/523/2017, originally constituted vide Deed dated 27-10-2017. There has been no material change in the nature of the business of the said firm. The consolidated financial statement has been prepared in accordance with the relevant accounting standards and a separate statement containing the salient features of the financial statement of its subsidiary pursuant to provision of Section 129(3) of the Companies Act, 2013 read with rule 5 of the Companies (Accounts) Rules 2014, in form AOC-1 is attached along with the financial statement of the company as Annexure-III.

AVP RMC- Firm is engaged in the business of manufacturing and supply of Ready-Mix Concrete and other allied concrete product and is in the same line as its Parent Entity. For the year ended 31st March, 2024, the Firm has earned a total income of Rs. 15,84,06,362/- and has made Profit after Tax of the Rs. 1,60,08,000/- and compared to the last year for the year ended 31st March, 2023, the Firm has earned a total income of Rs. 21,32,66,000/- and has made Profit after Tax of the Rs. 93,07,000/-. The financial and other details of the said Subsidiary for the Year ended 31-03-2024 and 31-03-2023 are as under:

BOARD'S REPORT

Particulars	FY23-24 (in ₹ In Lacs.)	FY22-23 (in ₹ In Lacs.)	FY23-24 % of Contribution o the Overall Performance of consolidated entity	FY22-23 % of Contribution to the Overall Performance of consolidated entity
Revenue From operation(gross)	1584.06	2132.66	9.85%	18.46%
Other Income	0.95	0.41	1.38%	0.79%
Total Revenue	1585.01	2133.07	9.81%	18.47%
Total Expenditure	1275.61	1941.62	9.62%	20.13%
Depreciation and amortizations	58.37	55.68	17.27%	14.65%
Profit before Tax	251.03	135.78	9.82%	8.92%
Current Tax	65.96	15.74	10.33%	4.20%
Deferred Tax	24.99	26.97	72.1%	-
Profit after Tax	160.08	93.07	8.50%	8.06%

RECEIPT OF REMUNERATION OR COMMISSION BY THE MANAGING / WHOLE TIME DIRECTOR FROM ITS HOLDING OR SUBSIDIARY COMPANY

The Company does not have any Holding or Subsidiaries Company as on 31st March 2024. Hence reporting under this clause is not required to be provided.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR):

The Business Responsibility and Sustainability Report pursuant to Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable to the Company for the financial year ended on 31st March, 2024.

CORPORATE GOVERNANCE

The Equity Shares of the Company are listed on the SME platform (NSE-merge) of NSE Limited. Pursuant to Regulation 15(2) SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 the compliance with the Corporate Governance provision as specified in Regulation 17 to 27 and clause (b) to (i) of sub regulations (2) of regulation 46 and par as C, D and E of Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 shall not apply. The Company voluntarily adopted various practices of governance conforming to highest ethical and responsible standards of business and is committed to focus on long term value creation for its shareholders. The Corporate Governance practices followed by the Company is included as part of this Report.

COMMITTEES OF THE BOARD

As on March 31, 2024, the company has five Board level committees:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Risk Management Committee
- Corporate Social Responsibility Committee

The composition of various Committees of the Board of Directors is available on the website of the Company. The Board

BOARD'S REPORT

is responsible for constituting, assigning, co-opting and fixing the terms of reference of various committees. Details on the role and composition of these committees, including the number of meetings held during the financial year and the related attendance are provided below.

A. AUDIT COMMITTEE

The Audit Committee was constituted at the Board meeting held on November 17, 2023 pursuant to Section 177 of the Companies Act, 2013. During the Financial Year 2023-24, the Company held 02 (Two) Audit Committee meetings on 02nd December 2023 and 22nd December 2023.

The composition of the Committee as on March 31, 2024 and the details of meetings attended by its members during the financial year 2023-24 are given below:

S NO	DIRECTOR	Designation in the Committee	NO. OF MEETING ENTITLED	NO. OF MEETING ATTENDED
1	Mrs Priya Rao (DIN:00717336)	Chairman	2	2
2	Mr. Chellasamy Rajendran (DIN:10345090)	Member	2	2
3	Mr. Rajan Ethiraja (DIN:09688086)	Member	2	2

All recommendations of Audit Committee during the year under review were accepted by the Board of Directors. The Company Secretary acted as the secretary of the Committee. The role and terms of reference of the Committee are in consonance with the requirements mandated under Section 177 of the Companies Act, 2013 and Listing Regulations and is available on the website of the Company at <https://www.avpinfra.com/>

B. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee was constituted at a meeting of the Board of Directors held on November 17, 2023. During the Financial Year 2023-24, the Company held 1 (One) Nomination and Remuneration Committee meeting on 02nd December 2023.

The composition of the Committee and the details of meetings attended by its members are given below:

S NO	DIRECTOR	Designation in the Committee	NO. OF MEETING ENTITLED	NO. OF MEETING ATTENDED
1	Mr. Rajan Ethiraja (DIN:09688086)	Chairman	1	1
2	Mr. Chellasamy Rajendran (DIN:10345090)	Member	1	1
3	Mrs. Priya Rao (DIN:00717336)	Member	1	1

The Company Secretary acted as the secretary of the Committee. The role and terms of reference of the Committee are in consonance with the requirements mandated under Section 178 of the Companies Act, 2013 and Listing Regulations and is available on the website of the Company at <https://www.avpinfra.com/>.

C. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee has been formed by the Board of Directors, at the meeting held on November 17, 2023. During the Financial Year 2023-24, the Company held 01 (One) Stakeholders' Relationship Committee meeting on 02nd December 2023

BOARD'S REPORT

The composition of the Committee and the details of meetings attended by its members are given below:

S NO	DIRECTOR	Designation in the Committee	NO. OF MEETING ENTITLED	NO. OF MEETING ATTENDED
1	Mrs Priya Rao (DIN:00717336)	Chairman	1	1
2	Mr. Chellasamy Rajendran (DIN:10345090)	Member	1	1
3	Mr. Rajan Ethiraja (DIN:09688086)	Member	1	1

The Company Secretary acted as the secretary of the Committee. The role and terms of reference of the Committee are in consonance with the requirements mandated under Section 178 of the Companies Act, 2013 and Listing Regulations and is available on the website of the Company at <https://www.avpinfra.com/>.

D. RISK MANAGEMENT COMMITTEE

The Risk Management Committee has been formed by the Board of Directors, at the meeting held on November 17, 2023. During the Financial Year 2023-24, the Company held 01 (One) Risk Management Committee meeting on 02nd December 2023.

The composition of the Committee and the details of meeting attended by its members are given below:

S NO	DIRECTOR	Designation in the Committee	NO. OF MEETING ENTITLED	NO. OF MEETING ATTENDED
1	Mr. Chellasamy Rajendran (DIN:10345090)	Chairman	1	1
2	Mrs Priya Rao (DIN:00717336)	Member	1	1
3	Mr. Rajan Ethiraja (DIN:09688086)	Member	1	1

The Company Secretary acted as the secretary of the Committee. The Risk Management policy of the Company is available on the website of the Company at <https://www.avpinfra.com/>.

E. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee has been formed by the Board of Directors, at the meeting held on November 17, 2023 in terms of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and Rule 9 of the Companies (Accounts) Rules 2014. During the Financial Year 2023-24, the Company held 01 (One) Corporate Social Responsibility Committee meeting on 02nd December 2023. The composition of the Committee and the details of meeting attended by its members are given below:

S NO	DIRECTOR	Designation in the Committee	NO. OF MEETING ENTITLED	NO. OF MEETING ATTENDED
1	Mr. Chellasamy Rajendran (DIN:10345090)	Chairman	1	1
2	Mrs Priya Rao (DIN:00717336)	Member	1	1
3	Mr. Rajan Ethiraja (DIN:09688086)	Member	1	1

The Company Secretary acted as the secretary of the Committee. The Corporate Social Responsibility Policy of the Company is available on the website of the Company at <https://www.avpinfra.com/>.

BOARD'S REPORT

DECLARATION BY INDEPENDENT DIRECTORS

The Independent Directors have confirmed that they meet the criteria of independence laid down under Section 149(6) read with Schedule IV of the Act and Regulation 16(1)(b) of the Listing Regulations and that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. The board of directors have taken on record the declaration and confirmation submitted by the independent directors after undertaking due assessment of the veracity of the same and is of the opinion that they fulfil the conditions specified in the Act and the Listing Regulations and that they are independent of the management.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Independent Directors have been updated with their roles, rights and responsibilities in the Company by specifying them in their appointment letter along with necessary documents, reports and internal policies to enable them to familiarise with the Company's procedures and practices. The Company endeavors, through presentations at regular intervals to familiarize the Independent Directors with the strategy, operations and functioning of the Company.

The details of such familiarization programmes for Independent Directors are posted on the website of the Company and can be accessed at <https://www.avpinfra.com/>

TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS

The terms and conditions of appointment of Independent Directors have been disclosed on the website of the Company <https://www.avpinfra.com/>.

SEPARATE MEETING OF INDEPENDENT DIRECTORS

Independent Directors of the Company met separately on March 29, 2024 without the presence of Non-Independent Directors and members of Management. In accordance with the provisions under Section 149 and Schedule-IV of the Act, following matters were, inter alia, reviewed and discussed in the meeting:

- i) Performance of Non-Independent Directors and the Board of Directors as a whole;

- ii) Performance of the Chairman of the Company taking into consideration the views of Executive and Non-Executive Directors;
- iii) Assessment of the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties

All the Independent Directors were present at the meeting.

PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS INCLUDING INDEPENDENT DIRECTORS

Pursuant to applicable provisions of the Act and the Listing Regulations, the Board, in consultation with its Nomination and Remuneration Committee, has formulated a framework containing, inter-alia, the criteria for performance evaluation of the entire Board of the Company, its Committees and individual directors, including Independent Directors. The framework is monitored, reviewed and updated by the Board, in consultation with the Nomination and Remuneration Committee, based on need and new compliance requirements.

VIGIL MECHANISM AND WHISTLE-BLOWER POLICY

The Company has established a vigil mechanism and accordingly framed a Whistle Blower Policy in accordance with the provisions of Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Rule 7 of the Companies (Meeting of the Board and its Power) Rules 2014. The policy enables directors, employees and business associates to report unethical behavior, malpractices, wrongful conduct, fraud, violation of Company's code of conduct, leak or suspected leak of unpublished price sensitive information without fear of reprisal for appropriate action. Under the vigil mechanism, all directors, employees, business associates have direct access to the Chairman of the Audit committee. The whistle blower policy can be accessed at <https://www.avpinfra.com>

CODE FOR PREVENTION OF INSIDER-TRADING

Post listing of equity shares of the company, in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has in place the following: -

1. Code of Conduct for Prevention of Insider Trading and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI).

BOARD'S REPORT

2. Policy for determination of "legitimate purposes" forms part of this Code.
3. Policy and procedures for inquiry in case of leak of UPSI/ suspected leak of UPSI

All compliances relating to Code of Conduct for Prevention of Insider Trading which includes maintenance of structural digital data base (SDD) are being managed through a software installed by the Company in-house including maintenance structural digital data base (SDD). This code lays down guidelines advising the designated employees and other connected persons, on procedures to be followed and disclosures to be made by them while dealing with the shares of the company, and while handling any unpublished price sensitive information.

CODE OF CONDUCT

Commitment to ethical professional conduct is a must for every employee including Board members and senior management personnel of the company. The duties of Directors including duties as an Independent Director as laid down in the Act also forms part of the Code of Conduct. The Code of Conduct is available on the website of the Company <https://www.avpinfra.com>. All Board members and senior management personnel affirm compliance with the Code of Conduct annually.

POLICIES OF THE COMPANY

The Company is committed to a good corporate governance and has consistently maintained its organizational culture as a remarkable confluence of high standards of professionalism and building shareholder equity with principles of fairness, integrity and ethics. The Board of Directors of the Company have from time to time framed and approved various Policies as required by the Companies Act, 2013 read with the Rules issued thereunder and the Listing Regulations. These Policies and Codes are reviewed by the Board and are updated, if required. The aforesaid policies can be accessed at <https://www.avpinfra.com>.

REGISTRAR AND TRANSFER AGENT (RTA)

During the year as part of listing of its shares on the Stock Exchange, the Company appointed Purva Share Registry (India) Private Limited as its RTA. Details of the RTA are given below

Purva Share Registry (India) Private Limited

CIN: U67120MH1993PTC074079

No 9, Shiv Shakti Industrial Estate

Mumbai - 400011, Maharashtra, India

LISTING

The equity shares of the Company are listed at the EMERGE Platform on NSE under Stock Code- AVPINFRA with effect from March 20, 2024.

DEMATERIALISATION OF SHARES

During the year under review, the Company has entered into tripartite agreements for dematerialization of equity shares with the Purva Share Registry (I) Private Limited, National Securities Depository Limited and Central Depository Services (India) Limited. As on March 31, 2024, the shares of the Company held in demat form represents 100% of the total issued and paid-up capital of the Company.

The Company ISIN No. is INE0R9401019.

POSTAL BALLOT

During the year under review, no resolution was passed through postal ballot.

PENALTIES

There were no penalties, strictures imposed on the company by stock exchange(s) or SEBI or any statutory authority, on any matter related to capital markets, during the year.

SCORES

SEBI processes investor complaints in a centralized web-based complaints redressal system i.e. SCORES. Through this system a shareholder can lodge complaint against a company for his grievance. The company uploads the action taken on the complaint which can be viewed by the shareholder. The company and shareholder can seek and provide clarifications online through SEBI.

ONLINE DISPUTE RESOLUTION (ODR) PORTAL

As per the SEBI circular no. SEBI/HO/OIAE/OIAE_IAD-1/P/ CIR/2023/145 dated July 31, 2023, on "Online Resolution of Disputes in the Indian Securities Market" a common Online Dispute Resolution Portal ("ODR Portal") which harnesses online conciliation and online arbitration for resolution of disputes arising in the Indian Securities Market has been established.

BOARD'S REPORT

SMART ODR Portal (Securities Market Approach for Resolution through ODR Portal) can be accessed via the following link

– <https://smartodr.in/login>

RECONCILIATION OF SHARE CAPITAL AUDIT

Post listing of company's shares, pursuant to Regulation 76 of Securities and Exchange Board of India (Depositories Participants) Regulations, 2018 [erstwhile SEBI circular No. D&CC /FIT TC/CIR-16/2002 dated December 31, 2002 read with Securities and Exchange Board of India (Depositories Participants) Regulations, 1996], a Company Secretary in Practice carries out audit of Reconciliation of Share Capital on quarterly basis to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. The audit report confirms that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL. The said report, duly signed by practicing company secretary is submitted to stock exchanges where the securities of the company are listed within 30 days of the end of each quarter and this Report is also placed before the Board of Directors of the company.

CREDIT RATING

In the absence of issue of any debt securities, the Company has not obtained any credit rating with respect to any debt securities. Further, ICRA has assigned a long-term rating of CRISIL BBB- and short-term rating of CRISILA3 for the credit facilities availed by the Company from Banks.

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR

The Company has not made any application or no proceeding is pending under the Insolvency and Bankruptcy Code, 2016 during the Financial Year and hence not being commented upon.

DISCLOSURE OF CERTAIN TYPES OF AGREEMENTS BINDING LISTED ENTITIES

As per the information available with the Company, there are no agreements entered into by the shareholders, Promoters, Promoters Group entities, Related Parties, Directors, Key Managerial Personnel, Employees of the Company, its subsidiaries and associates companies which are binding

the Company in terms of clause 5A of Para A of Part A of Schedule III of the Listing Regulations.

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.

During the Financial Year under review, there has been no incident of one-time settlement for loan taken from the banks of financial institutions and hence not being commented upon

GREEN INITIATIVES

In commitment to keeping in line with the Green Initiative and going beyond it to create new green initiations, an electronic copy of the Notice of the 15th Annual General Meeting of the Company along with a copy of the Annual Report is being sent to all Members whose email addresses are registered with the Company/ Depository Participant(s) and will is also available at the Company's website at <https://www.avpinfra.com>.

INVESTOR GRIEVANCE REDRESSAL

During the period since listing of shares of the company to the date of this report, there were no complaints received from the investors. The designated email id for Investor complaint is cs@avpinfra.com.

COMPLIANCE OFFICER DETAILS AND ADDRESS FOR CORRESPONDENCE

Ms. Priyanka Singh,

Company Secretary & Compliance Officer

Registered office: E-30, 2nd Avenue, 2nd Floor, Besant Nagar

Chennai, Tamil Nadu, India, 600090,

Contact No. +91 44 48683999;

E-mail: cs@avpinfra.com.

BUSINESS LOCATIONS

As on March 31, 2024, the company has its place of business in the following location;

CHENNAI, TAMILNADU Plot No E-30, 2nd Avenue, 2nd Floor, Besant Nagar, Chennai Tamil Nadu- 600090.

BOARD'S REPORT

ACKNOWLEDGEMENT

The Board of Directors would like to express their sincere appreciation for the assistance and co-operation received from the government and regulatory authorities, stock exchange, financial institutions, banks, business associates, customers, vendors, members, for their co-operation and support and looks forward to their continued support in future. The Board of Directors wish to place on record its deep sense of appreciation for the committed services by all the employees of the Company.

For and on behalf of the Board of Directors of

AVP INFRACON LIMITED

Sd/-

D. Prasanna

Managing Director

(DIN:02720759)

Sd/-

Bollam Venkateshwarlu

Joint Managing Director

(DIN: 02720729)

Place: Chennai

Date: 29/05/2024

ANNEXURE- IV TO THE BOARDS' REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

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

To,
The Members,
AVP INFRACON LIMITED
CIN: L45400TN2009PLC072861
Registered Office: Plot No. E-30, II nd Floor,
II nd Avenue, Besant Nagar, Chennai,
Tamil Nadu, India, 600090

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by AVP INFRACON LIMITED having CIN L45400TN2009PLC072861 (hereinafter called the company) for the financial year ended March 31, 2024 ("Audit Period"). The 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 my verification of the Company's 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 me and representations made by the Management, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') (applicable from March 20, 2024, the date of listing of equity shares on NSE EMERGE Platform) :-
 - a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
 - b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - c. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - d. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - e. The Securities and Exchange Board of India (Depositories and Participants Regulations, 2018)

ANNEXURE- IV TO THE BOARDS' REPORT

- f. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 – No events / actions occurred during the Audit Period coming under the purview of this regulation.
 - g. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 – No events / actions occurred during the Audit Period coming under the purview of this regulation;
 - h. 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;
 - i. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; – No events / actions occurred during the Audit Period coming under the purview of this regulation; and
 - j. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; – No events / actions occurred during the Audit Period coming under the purview of this regulation;
- (vi) As informed by the management, there are no other laws applicable specifically to the Company.

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

- (i) Secretarial Standards with respect to Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India (ICSI).
- (ii) The Listing Agreement entered into by the Company with National Stock Exchange of India Ltd (NSE) in respect of listing of equity shares of the company on NSE EMERGE Platform.

I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the fact that certain forms/returns required to be filed under the Act has been filed belatedly with payment of applicable additional fee.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors including Woman Directors. The Key Managerial Persons (KMPs) required by the Companies Act, 2013 under the provisions of section 203 has been appointed. The changes in the composition of the Board of Directors and KMPs 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 for the meetings of the Board and Committees. Except where consent of directors was received for scheduling meeting at a shorter notice, 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 by the directors.

Decisions at the meetings of the Board of Directors/ Committees of the Company were carried unanimously. We were informed that there were no dissenting views of the members on any of the matters during the year that were required to be captured and recorded as part of the minutes.

The circular resolutions passed by the Board of Directors of the Company were approved with requisite majority.

I further report that the compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts have not been reviewed in this audit since the same have been subject to review by the statutory auditors, tax auditors and other designated professionals

ANNEXURE- IV TO THE BOARDS' REPORT

I further report that as per the explanations given to me, by the company, its officers and authorised representatives during the conduct of the audit and compliance certificate (s) placed before the board meeting, the representation made by the Management and relied upon by me, 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, there were following specific events / actions having a major bearing on Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, standards, etc.:

1. Appointment of M/s P P N and Company, Chartered Accountants (FRN 013623S) as Statutory Auditor to fill the casual vacancy created due to the resignation of M/s. SAMI AND RAJHU, Chartered Accountants, (FRN: 003910S).
2. Admission of the company's Equity Shares to the Depository System of the Central Depository Services (India) Limited (CDSL) and the National Securities Depositories Limited (NSDL) and appointment of Purva Shareregistry India Pvt. Ltd., Mumbai as Registrar and Share Transfer Agents.
3. Change of name of Company from "AVP CONSTRUCTIONS PRIVATE LIMITED" to "AVP INFRACON PRIVATE LIMITED.
4. Increase in the Authorized Share capital of the company from ₹5,00,00,000 (Rupees five Crore) to ₹25,00,00,000 (Rupees Twenty five Crores Only) by creation of 20,00,00,000 (Twenty Crores) additional equity share of ₹10/- each and consequent to change in Clause V of the Memorandum of Association.
5. Re-appointment of M/s P P N and Company, Chartered Accountants. (FRN 013623S) at the Annual General Meeting of the Company as Statutory Auditor for a term of Five (05) Years to hold office from the conclusion of the 14th Annual General meeting (for the financial year 31.03.2023) till the conclusion of 19th Annual General Meeting.
6. Re-appointment of Mr. Dhandayuthapani Prasanna (DIN: 02720759) as Chairman & Managing Director and as Chief Executive Officer (CMD & CEO) of the Company for a period of Three (03) years with effect from October 01, 2023 to September 30, 2026 (both dates inclusive).
7. Re-appointment of Mr. Bollam Venkateshwaralu (Din.02720729), as Joint Managing Director of the Company for a period of three (03) years with effect from October 01, 2023 to September 30, 2026 (both dates inclusive).
8. Appointment of Mrs. Dhandayuthapani Bhagyavathy (DIN: 10341505) as a Director of the Company liable to retire by rotation.
9. Conversion of the Company from Private Limited Company to Public Limited Company and Adoption of new set of Articles of Association of the Company.
10. Appointment of Mr. Dhandayuthapani Vasanth (DIN: 10330344) as Director and also as Whole-Time Director of the Company for a period of Three (03) years with effect from 20th October, 2023 to 19th October, 2026 (both dates inclusive).
11. Appointment of Mrs. Priya Rao (DIN: 00717336) and Mr. Chellasamy Rajendran (DIN: 10345090) as Independent and Non-Executive Directors for a term of five years with effect from 20/10/2023 to 19/10/2028 (both dates inclusive).
12. Increase in Borrowing Limits under Section 180(1) (c) of the Act to ₹ 250 Crores and Creation of charges under Section 180(1) (a) of the Act in respect of Borrowing upto ₹250 Crores.
13. Issue of 1,32,00,000 Bonus Shares of ₹10/- each in the ratio of Eleven (11 Equity Shares) new fully paid-up Equity Shares of ₹10/- each for every Four (04 Equity Share) Equity Shares of ₹10/- each by capitalisation of Reserves to the shareholders whose name was appearing in the register of members as on the record date viz., November 01, 2023.

ANNEXURE- IV TO THE BOARDS' REPORT

14. Approved to designate Mr. Bollam Venkateshwaralu (DIN-02720729), Joint Managing Director as CFO of the Company with effect from 17/11/2023.
15. Appointment of Mr. Rajan Ethiraja (DIN: 09688086) as an Independent Director for a term of five years with effect from 17/11/2023 to 16/11/2028.
16. Appointment of Ms. Priyanka Singh, (ACS-62187) as Company Secretary and Compliance officer of the Company with effect from 18/12/2023.
17. Initial Public Offer (IPO) of 70,00,000 Equity Shares of the face value of ₹10/-each at premium of ₹65/- per equity share and consequent listing of equity shares of the company on "EMERGE" Platform of National Stock Exchange of India Limited ("NSE EMERGE"), in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 with effect from March 20, 2024.

For SKD & ASSOCIATES

Company Secretary in Practice

Firm Regn. No. S2023TN958600

**Sd/-
Susanta Kumar Dehury
Proprietor**

Membership No. F.7408

C.P.No. 27050

Peer Review Cert No. 5384/2023

UDIN Number: F007408F000488713

Date:29/05/2024

Place: Chennai

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

ANNEXURE – A

To,
The Members,
AVP INFRACON LIMITED
CIN: L45400TN2009PLC072861
Registered Office: Plot No. E-30, II nd Floor,
II nd Avenue, Besant Nagar, Chennai,
Tamil Nadu, India, 600090

My 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. I 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, I followed provide a reasonable basis for our opinion
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the 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. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For SKD & ASSOCIATES
Company Secretary in Practice
Firm Regn. No. S2023TN958600

Sd/-
Susanta Kumar Dehury
Proprietor
Membership No. F7408
C.P.No. 27050
Peer Review Cert No. 5384/2023
UDIN Number: F007408F000488713

Place: Chennai
Date: 29/05/2024

Certificate of Non-Disqualification of Directors

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

To:
The Members
AVP INFRACON LIMITED
CIN: L45400TN2009PLC072861

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of AVP INFRACON LIMITED having CIN L45400TN2009PLC072861 and registered office at PLOT NO.E-30, II ND FLOOR, II ND AVENUE BESANT NAGAR, Chennai, Tamil Nadu, India, 600090 (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 Clause 10(i) of the Securities and 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 ended 31 March, 2024, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, the Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No	Name of Director	DIN	Date of appointment in the Company
1	DHANDAYUTHAPANI PRASANNA	02720759	09/09/2009
2	BOLLAM VENKATESHWARALU	02720729	09/09/2009
3	DHANDAYUTHAPANI VASANTH	10330344	20/10/2023
4	DHANDAYUTHAPANNI BHAGYAVATHY	10341505	20/10/2023
5	RAJAN ETHIRAJA	09688086	17/11/2023
6	PRIYA RAO	00717336	20/10/2023
7	CHELLASAMY RAJENDRAN	10345090	20/10/2023

Ensuring the eligibility of the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these, based on my 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 SKD & ASSOCIATES
Company Secretary in Practice
Firm Regn. No. S2023TN958600

Sd/-
Susanta Kumar Dehury
Proprietor
Membership No. F.7408
C.P.No. 27050
Peer Review Cert No. 5384/2023
UDIN Number: F007408F000488779

Date: 29/05/2024
Place: Chennai

ANNEXURE- V TO THE BOARDS' REPORT

Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2023-24

1. Brief outline on CSR Policy of the Company: The Company's focus areas are education, healthcare, skill development, and infrastructure improvement. The Company's has incorporated CSR Policy making it more comprehensive and in alignment with the broad framework of Schedule VII of the Companies Act, 2013. The Company is committed to Corporate Social Responsibility and strongly believes that the business objectives of the Company must be in congruence with the legitimate development needs of the society in which it operates.

2. Composition of CSR Committee—

S no.	Name of Director	Designation in the Committee	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Chellasamy Rajendran	Chairman	1	1
2	Mrs Priya Rao	Member	1	1
3	Mr. Rajan Ethitaj	Member	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company. - <https://www.avpinfra.com/>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report). – Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

S no.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
1	2020-21	NIL	NIL
2	2021-22	NIL	NIL
3	2022-23	NIL	NIL

6. Average net profit of the company as per section 135(5): ₹ 7,11,31,333/-

7. (a) Two percent of average net profit of the company as per section 135(5): ₹ 14,22,627/-

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

(c) Amount required to be set off for the financial year, if any: Nil

(d) Total CSR obligation for the financial year (7a+7b-7c): ₹ 14,22,627/-

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year: ₹14,25,000/-

Amount Unspent: Nil

(b) Details of CSR amount spent against ongoing projects for the financial year: Nil

ANNEXURE- V TO THE BOARDS' REPORT

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1) S.no	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act	(4) Local area (Yes/ No)	(5) Location of the project.		(6) Amount spent for the project (in ₹)	(7) Mode of implementation - Direct (Yes/No)	(8) Mode of implementation - Through implementing agency	
				State	District			Name	CSR reg number
1.	Education, healthcare, skill development & infrastructure improvement	II	Yes	Tamil Nadu	Chennai	14,25,000	No	G Doss Memorial Trust	CSR00025167
TOTAL						14,25,000			

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: Nil

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 14,25,000

(g) Excess amount for set off, if any

S I . No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	14,22,627
(ii)	Total amount spent for the Financial Year	14,25,000
(iii)	Excess amount spent for the financial year [(ii)-(i)]	2,373
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	2,373

9. (a) Details of Unspent CSR amount for the preceding three financial years: Nil

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Nil

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: Nil

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): NA

For and on behalf of the Board of Directors of
AVP INFRACON LIMITED

Sd/-
D. Prasanna
Managing Director
(DIN:02720759)

Sd/-
C. Rajendran
Chairman of CSR Committee
(DIN: 10345090)

Place: Chennai
Date: 29/05/2024

ANNEXURE VI TO THE BOARDS' REPORT

Details of conservation of energy, technology absorption, foreign exchange earnings and outgo
(Pursuant to section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014)
The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are as under:-

(i)	the steps taken or impact on conservation of energy;	The Company per se does not have any activity relating to conservation of energy and technology absorption and does not own any manufacturing facility.
(ii)	the steps taken by the company for utilising alternate sources of energy;	NA
(iii)	the capital investment on energy conservation equipments;	Nil

TECHNOLOGY ABSORPTION

(i)	the efforts made towards technology absorption;	The nature of business of the company is not Technology intensive. However based on the technological innovation happening related to the business operations of the company, it is keen to upgrade its processes to improve service quality and reduce costs. Training is also imparted to the company's personnel on the latest development of technology related to the business of the company.
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution;	
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	
	(a) the details of technology imported;	
	(b) the year of import;	
	(c) whether the technology been fully absorbed;	
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	
(iv)	the expenditure incurred on Research and Development.	Your company does not have any research and development facility and has not incurred any expenditure towards research and development.

(C) Foreign exchange earnings and Outgo:

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

Particulars	2023-24 (₹ In Lakhs)	2022-23 (₹ In Lakhs)
1) Earnings in foreign currency		
Income from consulting Service Overseas	-	-
2) Expenditure in foreign currency		
	-	-

For and on behalf of the Board of Directors of
AVP INFRACON LIMITED

Sd/-
D. Prasanna
Managing Director
(DIN:02720759)

Sd/-
Bollam Venkateshwarlu
Joint Managing Director
(DIN: 02720729)

Place: Chennai
Date: 29/05/2024

ANNEXURE- VII TO THE BOARDS' REPORT

PARTICULARS OF EMPLOYEES

[Pursuant to Section 197(12) of the Companies Act, 2013 and Rule 5(1), Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended March 31, 2024

- (A) 1. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2023-24 and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary during the Financial Year

Amount in ₹ Lakhs

Sr. No	Name of Directors / Key Managerial Personnel	Designation	Ratio of remuneration to Median remuneration	% increase in the remuneration
DIRECTORS				
1	Mr. D. Prasanna	Managing Director & CEO	33.33	335%
2	Mr. B. Venkateshwarlu	Joint Managing Director & CFO	30	291%
3*	Mr. D. Vasanth (*)	Whole Time Director	N.A	N.A
KEY MANAGERIAL PERSONNEL				
4*	Ms. Priyanka Singh (*)	Company Secretary	N.A	N.A

(*) Appointed during the financial year 2023-24, accordingly the desired values could not be ascertained

Note 1: Non-Executive Directors are paid remuneration only by way of sitting fees. The remuneration package of the above Directors was approved by the Board of Directors and which were also approved by the Members of the Company at the General Meeting. For the Computation of median remuneration of the employees of the Company for the Financial Year 2023-24, Gross Salary paid to each employee is taken into consideration.

Note 2: The Company did not have any pecuniary relationship or transactions with the Non-Executive Directors of the Company other than payment of the sitting fees for attending meetings. During FY 2023-24, the Company did not advance any loan to any of its Directors. Further, no loans and advances in the nature of loans to firms/companies in which directors are interested was given by the Company and its subsidiaries.

Note 3: Remuneration of the executive directors consists of a salary and other benefits. The Nomination and Remuneration Committee makes annual appraisal of the performance of the Executive Directors based on a detailed performance evaluation, and recommends the compensation payable to them, within the parameters approved by the shareholders, to the Board for their approval.

2. The percentage increase in the median remuneration of employees in the Financial Year:

The median remuneration of employees in the Financial Year 2023-24 was increased by 20%.

3. The number of permanent employees on the rolls of Company: The number of permanent employees on the rolls of Company as on March 31, 2024 was 39.
4. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

There has been no/negligible increase in the salaries of the employees other than the managerial personnel as compared to last year. There was an exceptional increase in the managerial remuneration due to the one-time salary correction of managerial personnel in order to align it with industry benchmarks and salaries of managerial personnel of companies of similar size and operations.

5. The key parameters for any variable component of remuneration availed by the directors; -

Not Applicable

Explanation.- For the purposes of this rule.-

- (i) the expression "median" means the numerical value separating the higher half of a population from the lower half and the median of a finite list of numbers may be found by arranging all the observations from lowest value to highest value and picking the middle one;
- (ii) if there is an even number of observations, the median shall be the average of the two middle values.

ANNEXURE- VII TO THE BOARDS' REPORT

6. Affirmation that the remuneration is as per the Remuneration Policy of the Company:

It is affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees, adopted by the Company.

(B) Employees employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than one crore and two lakh rupees:

There was no employees employed for the financial year, was in receipt of remuneration at a rate which, in the aggregate, was not less than one crore and two lakh rupees

C) Employees employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakh and fifty thousand rupees per month:

SL.No	Particulars	Employed for part of the financial year	Employed for part of the financial year
1	Name	D. Prasanna	B. Venkateshwarlu
2	Age	44	42
3	Designation	Managing Director & CEO	Joint Managing Director & CFO
4	Nature of Employment (Contractual or otherwise)	Appointed for a fix term	Appointed for a fix term
5	Gross Remuneration	10 Lakhs per month	9 Lakhs per month
6	Qualification	Bachelor of Engineering in Computer Science	Bachelor of Engineering in Information Technology
7	Experience (Years)	18	14
8	Date of Commencement of Employment	09-09-2009	09-09-2009
9	Previous Employment held	AVP Papers	Sudha Cooperative Bank,
10	No. of Shares held in the Company as on 31st March,2024	83,62,493	57,00,000

Notes

- Gross Remuneration comprises salary allowances Company's contribution to provident fund and taxable value of perquisites.
- Mr. D. Prasanna, Mr.D. Vasanth (Brother) and Mrs. Bhagyavathy (Mother) are related to each other.

D) Employees employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company:

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

E) Employees posted and working in a country outside India, not being directors or their relatives, drawing more than sixty lakh rupees per financial year or five lakh rupees per month:

There are no employees who are posted outside India.

For and on behalf of the Board of Directors of
AVP INFRACON LIMITED

Sd/-
D. Prasanna
Managing Director
(DIN:02720759)

Sd/-
Bollam Venkateshwarlu
Joint Managing Director
(DIN: 02720729)

Place: Chennai
Date: 29/05/2024

ANNEXURE – III- AOC-1

Statement containing salient features of the financial statement of subsidiaries/Associate companies/ joint ventures

Part "A": Subsidiaries

Name of the subsidiary	NA
1. Reporting period for the subsidiary concerned, if different from the holding company's reporting period	
2. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	
3. Share capital (₹)	
4. Reserves & surplus	
5. Total assets	
6. Total Liabilities	
7. Investments	
8. Turnover	
9. Profit before taxation	
10. Provision for taxation	
11. Profit after taxation	
12. Proposed Dividend	
13. % of shareholding	

The following information shall be furnished:-

- Names of subsidiaries which are yet to commence operations – NIL
- Names of subsidiaries which have been liquidated or sold during the year- NIL

Part "B": Associates and Joint Ventures –

Name of Associates/Joint Ventures	M/s AVP RMC - Firm bearing Registration No. FR/Trichy/523/2017
Latest audited Balance Sheet Date	31/03/2024
Date on which the Associates/Joint Venture was associated or acquired	April 01, 2022
Shares of Associate/Joint Ventures held by the Company on the year end	
No. Amount of Investment in Associates/Joint Venture Extend of Holding %	NA ₹5,41,72,982/- (Rupees Five Crores Forty-One Lakh Seventy-Two Thousand, Nine hundred and Eighty-Two Only) 90%
Description of how there is significant influence	Voting power
Reason why the associate/joint venture is not consolidated	Not applicable
Networth attributable to Shareholding as per latest audited Balance Sheet	₹ 7,92,00,000 (Pertains to Holding Company's Share)
6. Profit / Loss for the year	1,06,48,484.35/- (entire profit is considered with one part in holding company's reserves and another part under minority interest)
i. Considered in Consolidation	Nil
ii. Not Considered in Consolidation	

ANNEXURE VITO THE BOARDS' REPORT

The following information shall be furnished: -

- Names of associates or joint ventures which are yet to commence operations: Nil
- Names of associates or joint ventures which have been liquidated or sold during the year Nil

For and on behalf of the Board of Directors of
AVP INFRACON LIMITED

Sd/-
D. Prasanna
Managing Director
(DIN:02720759)

Sd/-
Bollam Venkateshwarlu
Joint Managing Director
(DIN: 02720729)

Sd/-
Priyanka Singh
Company Secretary Cum
Compliance Officer
M. No: 62187

Place: Chennai
Date: 29/05/2024

ANNEXURE – II

FORM NO. AOC.2

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 arms length transactions under third proviso thereto (Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

Sl. No.	Particulars	Details
A	Name(s) of the related party and nature of relationship	NOT APPLICABLE
B	Nature of contracts/arrangements/transactions	
C	Duration of the contracts/arrangements/transactions	
D	Salient terms of the contracts or arrangements or transactions including the value, if any	
E	Justification for entering into such contracts or arrangements or transactions	
F	Date of approval by the Board	
G	Amount paid as advances, if any	
H	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

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

₹in lakhs

Name(s) of the related party and nature of relationship	Nature of contracts / Arrangements / transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions	Total value, if any during the year (INR)	Date(s) of approval by the Board, if any	Amount paid as advances, if any:
AVP RMC Firm in which Company is 90% Partner and in which Three Directors of the company are partners	Purchase of Goods	2023-2024	Prevailing Market Price	₹ 620.44/-	Not Applicable, since the arrangement was entered into in the ordinary course of business and on arm's length	NIL
	Sales			₹ 69.91/-		

For and on behalf of the Board of Directors of
AVP INFRACON LIMITED

Sd/-
D. Prasanna
Managing Director
(DIN:02720759)

Sd/-
Bollam Venkateshwarlu
Joint Managing Director
(DIN: 02720729)

Place: Chennai
Date: 29/05/2024

INDEPENDENT AUDITOR'S REPORT

To,
The Members of,
AVP INFRACON LIMITED.,
(Formerly known as M/s. AVP Infracon Private Limited & AVP Constructions Private limited)

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the standalone financial statements of AVP INFRACON LIMITED (the "Company") (formerly known as M/s. AVP Infracon Private Limited & AVP Constructions Private Limited ("the Company")), which comprise the balance sheet as at 31st March, 2024, the statement of profit and loss and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31st March, 2024, and profit/ loss and its cash flows for the year ended on that date.

Basis for Opinion

3. We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 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 Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

5. The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis and Directors Report (the "Reports") including Annexures but does not include the financial statements and our auditor's report thereon.
6. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
7. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
8. If, based on the work we have performed, we conclude that there is no material misstatement of this other information, we are required to report that fact and we have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT

Management's Responsibility for the Financial Statements:

9. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and statement of cash flows in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
10. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
11. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements:

12. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
13. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
 - i. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - ii. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
 - iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - iv. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT

- v. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 14. Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.
- 15. 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.
- 16. 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.
- 17. 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.

Report on Other Legal and Regulatory Requirements:

- 18. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure - A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 19. As required by Section 143(3) of the Act, we report that:
 - i. 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.
 - ii. 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.
 - iii. The Balance Sheet, the Statement of Profit and Loss, and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - iv. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act read with the Rule 7 of Companies (Accounts) Rules, 2014, as amended.
 - v. On the basis of the written representation 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.
 - vi. 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 an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial control over financial reporting.

INDEPENDENT AUDITOR'S REPORT

- vii. 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, the remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V to the Act.

- viii. 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position in its financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - a) The Management has represented that, to the best of its 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 Company to or in any other person or entity, including foreign entity ("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, no funds have been received by the Company from any person or entity, including foreign entity ("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;
 - c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - iv. The Company has not declared or paid any dividend, hence reporting under Rule 11(f) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2024.
 - v. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from April 01, 2023. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software.

Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with.

**For P P N And Company
Chartered Accountants
Firm's Registration No: 013623S
Peer Review Certificate No.013578**

**R. Rajaram
Partner**

**M. No: 238452
UDIN: 24238452BKAGLG9952**

**Date: 29-05-2024
Place: Chennai**

ANNEXURE - A

(Referred to in paragraph 18 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March, 2024 we report that:

- i. In respect of the Company's Property, Plant and Equipment.
 - (a) (i) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - (ii) The Company has maintained proper records showing full particulars of intangible assets.
 - (b) According to the information and explanation given to us, all Property, Plant and Equipment have been physically verified by the management during the year, and there is a regular planned programme of periodical physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified during that period. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
 - (c) The title deeds of all the immovable properties of the Company are held in the name of the Company.
 - (d) The Company has not revalued any of its Property, Plant and Equipment during the year ended 31st March 2024.
 - (e) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made there under.
 - ii. (a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for inventory lying with third parties. In our opinion, the coverage and procedure of such verification by the management is appropriate and no significant discrepancies were noticed. In respect of inventory lying with third parties, these have substantially been confirmed by the third parties. Discrepancies of 10% or more in aggregate for each class of inventories were not noticed on such physical verification and in respect of such confirmations.
 - (b) According to the information and explanations given to us, and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the monthly returns or statements filed by the Company with such banks are generally in agreement with the unaudited books of account of the Company.
- iii. In respect of investments in, or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to any company, firm, LLP, or other parties,
 - (a) The company has made an investment of ₹400 Lakhs in AVP RMC (Subsidiary Company) during the year and balance outstanding at the end of the year was ₹541.73 Lakhs.
 - (b) The Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to any company, firm, LLP, or other parties during the year.
 - (c) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made during the year are, prima facie, not prejudicial to the company's interest.

According to the information and explanations given to us and based on the audit procedures performed, the company has not granted any loans during the year. Hence, reporting under clause 3(iii)(c) to 3(iii)(f) of the Order is not applicable.

ANNEXURE - A

- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v. According to the information and explanations given to us, the Company has not accepted deposits and does not have any unclaimed deposits within the meaning of Section 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of the clause 3 (v) of the Order are not applicable.
- vi. Company requires to maintain cost records as prescribed by the Central Government under section 148(1) of the Act from the reporting period. Accordingly, paragraph 3 (vi) of the Order is applicable. As per our opinion, the cost records as per section 148(1) of the Act are followed.
- vii. In respect of statutory dues:
 - (a) According to the information and explanations given to us and according to the records as produced and examined by us, in our opinion, the Company is regular in depositing with appropriate authorities the undisputed statutory dues including income tax, sales tax, service tax, value added tax, goods and service tax, duty of customs, duty of excise, cess and other statutory dues applicable to it and there are no arrears of outstanding statutory dues as at 31st March, 2024 for a period of more than six months.
 - (b) According to the information and explanations given to us, there were no dues in respect of income tax, sales tax, service tax, value added tax, goods and service tax, duty of custom, duty of excise, cess and other statutory dues which have not been deposited on account of any dispute.
- viii. According to the information and explanation given to us and on the basis of our examination of the records, 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. Accordingly, paragraph 3 (viii) of the Order is not applicable.
- ix. In respect of loans and other borrowings:
 - (a) The Company has not defaulted in repayments of loans or other borrowings or in the payment of interest thereon from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.
 - (b) The Company has not been declared a wilful defaulter by any bank or financial institution or any other lender.
 - (c) The Company has taken term loan and the same were applied for the purpose for which the loans were obtained.
 - (d) On examination of the financial statements of the Company, Company has not raised any funds on short term basis which has been used for long-term purposes hence reporting under clause 3(ix)(d) of the Order is not applicable.
 - (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of hence reporting on clause 3(ix)(e) of the Order is not applicable.
 - (f) The Company has not raised any loans on the pledge of securities held in its subsidiaries, associate companies during the period and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- x. In respect of public offer:
 - (a) During the year, the company has issued 69,79,200 Equity Shares of ₹10 each at ₹75 each per share. The company has raised ₹52.34 Crores by way of Initial Public Offer and the moneys raised by way of initial public offer during the year, have been, prima facie, applied by the company for the purposes for which they were raised (Refer Point 2 of Note-30 "Other Notes on Accounts"). In respect of Initial Public Offer, the company has complied with the provisions of the Companies Act, 2013.

ANNEXURE - A

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) under section 42 and section 62 of the Companies Act, 2013. Accordingly, reporting of the purpose for which amount raised under clause 3 (x)(b) of the Order is not applicable.

xi. In respect of Fraud:

(a) According to the information and explanations given to us, during the year. Company has not noticed any fraud by the Company or on the Company.

(b) No reportable fraud has been committed by the Company hence Form ADT-4 has not been filed by the auditors as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) During the year, Company has not received any whistle-blower complaints to be considered by the auditors.

xii. Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii. The transactions entered by the Company with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been properly disclosed in the financial statements as required by the applicable accounting standards.

xiv. In respect of internal audit system:

(a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports issued to the company during the year and covering the period up to March 31, 2024 for the period under audit.

xv. 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, the provisions of the section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi) (a), & (b) of the Order is not applicable and Company is not a Core Investment Company and there is no core investment company within the group. Accordingly, paragraph 3(xvi) (c) & (d) of the Order is not applicable.

xvii. The Company has not incurred any cash loss during the financial year covered by our audit and immediately preceding financial year.

xviii. There has not been resignation of the statutory auditors during the year and disclosure on this regard is not applicable.

xix. 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 and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating 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 period 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 period from the balance sheet date, will get discharged by the Company as and when they fall due.

ANNEXURE - A

xx. According to the information and explanations given to us, the Company is liable to adhere Corporate Social Responsibility compliance under section 135 of the Companies Act, 2013 for the FY23-24. The company has contributed ₹ 14,25,000/- for the FY23-24. (Refer Point-16 in Note: 30 Other Notes on Accounts).

xxi. There have not been any qualifications or adverse remarks in the Companies (Auditor's Report) Order (CARO) reports of the Companies included in the consolidated financial statements.

For P P N And Company
Chartered Accountants
Firm's Registration No: 013623S
Peer Review Certificate No.013578

R. Rajaram
Partner
M. No: 238452
UDIN: 24238452BKAGLG9952

Date: 29-05-2024
Place: Chennai

ANNEXURE - B

(Referred to in paragraph 19 (vi) under 'Report on Other Legal and Regulatory Requirements' section of our report)

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

We have audited the internal financial controls over financial reporting of AVP INFRACON LIMITED (the "Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

A company's internal financial control over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

ANNEXURE - B

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 P P N And Company
Chartered Accountants
Firm's Registration No: 013623S
Peer Review Certificate No.013578

R. Rajaram
Partner
M. No: 238452
UDIN: 24238452BKAGLG9952

Date: 29-05-2024
Place: Chennai

STANDALONE BALANCE SHEET

as at March 31, 2024

(All amounts are in ₹ lakhs unless stated)

Particulars	Note No.	As at	
		March 31, 2024	March 31, 2023
I. EQUITY AND LIABILITIES			
1 SHAREHOLDER'S FUNDS			
(a) Share Capital	3	2,497.92	480.00
(b) Reserves and Surplus	4	6,808.84	2,016.13
2 NON-CURRENT LIABILITIES			
(a) Long-Term Borrowings	5	2,390.90	2,567.95
(b) Deferred Tax Liabilities (Net)	6	49.42	37.26
(c) Long-Term Provisions	7	9.15	5.21
3 CURRENT LIABILITIES			
(a) Short-Term Borrowings	8	3,545.99	2,917.32
(b) Trade Payables	9		
(A) Total outstanding dues of Micro and Small Enterprises; and		146.43	1,678.27
(B) Total outstanding dues of creditors other than Micro and Small Enterprises		3,202.03	1,703.00
(c) Other Current Liabilities	10	483.10	165.10
(d) Short-Term Provisions	11	575.24	363.15
TOTAL EQUITY AND LIABILITIES		19,709.01	11,933.38
II. ASSETS			
1 NON-CURRENT ASSETS			
(a) Property, Plant & Equipment	12	2,199.09	1,924.01
(i) Property, Plant & Equipment			
(ii) Intangible Assets		-	-
(b) Non-Current Investments	13	541.73	35.24
(c) Other Non-Current Assets	14	565.93	563.76
2 CURRENT ASSETS			
(a) Inventories	15	6,829.21	6,083.26
(b) Trade Receivables	16	6,210.15	952.85
(c) Cash and Cash Equivalents	17	1,466.17	657.65
(d) Short-Term Loans and Advances	18	1,526.06	1,359.74
(e) Other Current Assets	19	370.67	356.87
TOTAL ASSETS		19,709.01	11,933.38
Company overview, Significant Accounting Policies & Other notes on accounts	1, 2 & 30		

The accompanying notes form an integral part of the financial statements

As per our Report on even date
For P P N AND COMPANY
Chartered Accountants

Firm Reg No: 013623S
Peer Review Certificate No. 013578
R.RAJARAM
Partner
Membership No: 238452
UDIN No: 24238452BKAGLG9952

**For and on behalf of the Board of Directors of
AVP INFRACON LIMITED
(formerly known as AVP Infracon Private Limited & AVP Constructions Private Limited)**

D. PRASANNA
Managing Director
DIN: 02720759

B. VENKATESHWARALU
Joint Managing Director cum Chief Financial Officer
DIN: 02720729

PRIYANKA SINGH
Company Secretary cum Compliance Officer
M. No.62187

Place: Chennai
Date: 29-05-2024

STATEMENT OF STANDALONE PROFIT AND LOSS

for the year ended March 31, 2024

(All amounts are in ₹ . lakhs unless stated)

Particulars	"Note No."	For the year ended	
		March 31, 2024	March 31, 2023
I Revenue From Operations	20	15,100.24	10,633.56
II Other Income	21	174.38	81.84
III Total Income (I+II)		15,274.61	10,715.40
IV Expenses			
Purchases	22	9,276.31	8,399.54
Changes in Inventories	23	(745.95)	(3,658.39)
Other Direct Expenses	24	2,564.64	3,341.80
Employee Benefits Expenses	25	647.81	346.80
Finance Costs	26	648.13	371.77
Depreciation & Amortisation Expenses	27	279.57	234.66
Other Expenses	28	192.78	175.42
Total Expenses (IV)		12,863.30	9,211.60
V Profit Before Exceptional and Extraordinary Items and Tax (III-IV)		2,411.32	1,503.80
VI Exceptional items		-	-
VII Profit before extraordinary items and tax (V-VI)		2,411.32	1,503.80
VIII Extraordinary items		-	-
IX Profit before tax (VII-VIII)		2,411.32	1,503.80
X Tax Expense:			
(1) Current Tax		572.56	359.21
(2) Deferred Tax		9.67	(7.18)
(3) Tax Adjustment for earlier years		-	-
XI Profit (Loss) for the period from continuing operations (IX-X)		1,829.08	1,151.77
XII Profit (Loss) for the period from discontinuing operations		-	-
XIII Profit/(Loss) For The Period		1,829.08	1,151.77
XIV Earnings per equity share: (In ₹ Per share)	29		
(1) Basic		10.04	24.00
(2) Diluted		10.04	24.00
Company overview, Significant Accounting Policies & Other notes on accounts	1, 2 & 30		

The accompanying notes form an integral part of the financial statements

As per our Report on even date
For P P N AND COMPANY
Chartered Accountants

Firm Reg No: 013623S
Peer Review Certificate No. 013578
R.RAJARAM
Partner
Membership No: 238452
UDIN No: 24238452BKAGLG9952

**For and on behalf of the Board of Directors of
AVP INFRACON LIMITED
(formerly known as AVP Infracon Private Limited & AVP Constructions Private Limited)**

D. PRASANNA
Managing Director
DIN: 02720759

B. VENKATESHWARALU
Joint Managing Director cum Chief Financial Officer
DIN: 02720729

PRIYANKA SINGH
Company Secretary cum Compliance Officer
M. No.62187

Place: Chennai
Date: 29-05-2024

STATEMENT OF STANDALONE CASH FLOW

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless stated)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
A CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Profit Before Tax	2,411.32	1,503.80
Adjustments for:		
Depreciation	279.57	234.66
Provision for Gratuity	0.74	3.94
Interest Expenses	648.13	371.77
Interest Income	(27.49)	(21.89)
Operating Profit before working capital changes:	3,312.26	2,092.28
Adjustments for changes in working capital:		
(Increase)/Decrease in Inventories	(745.95)	493.69
(Increase)/Decrease in Trade Receivables	(5,257.30)	(3,658.39)
(Increase)/Decrease in Short term Loans & Advances	(166.32)	(1,339.43)
(Increase)/Decrease in Other Current assets	(13.80)	(322.29)
Increase/(Decrease) in Trade and Other payables	(32.81)	1,765.44
Increase/(Decrease) in Other Current Liabilities & Provisions	322.42	102.76
Cash generated from operations	(2,581.50)	(865.94)
Less: Income Taxes	(359.21)	-
NET CASH FROM OPERATING ACTIVITIES (A)	(2,940.71)	(865.94)
B CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Income	27.49	21.89
Fixed assets purchased including Intangible Assets	(554.64)	(655.73)
(Increase)/Decrease in Non-Current Investments	(506.49)	(35.24)
(Increase)/Decrease in Other Non-Current Assets	(2.17)	(62.37)
NET CASH USED IN INVESTING ACTIVITIES (B)	(1,035.81)	(731.45)
C CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(648.13)	(371.77)
Increase/(Decrease) in Long-Term Borrowings	(177.05)	565.20
Increase/(Decrease) in Short Term Borrowings	628.67	1,752.58
Funds Received through issue of New Shares in Initial Public Offer	5,234.42	-
Issue related expenses	(252.87)	-
NET CASH USED IN FINANCING ACTIVITIES (C)	4,785.03	1,946.01
D NET INCREASE IN CASH AND CASH EQUIVALENT (A+B+C)	808.52	348.62
Opening Cash and Cash Equivalents	657.65	309.03
CLOSING CASH AND CASH EQUIVALENT	1,466.17	657.65

The accompanying notes form an integral part of the financial statements

As per our Report on even date
For P P N AND COMPANY
Chartered Accountants

Firm Reg No: 013623S
Peer Review Certificate No. 013578

R.RAJARAM
Partner
Membership No: 238452
UDIN No: 24238452BKAGLG9952

**For and on behalf of the Board of Directors of
AVP INFRACON LIMITED
(formerly known as AVP Infracon Private Limited & AVP Constructions Private Limited)**

D. PRASANNA
Managing Director
DIN: 02720759

B. VENKATESHWARALU
Joint Managing Director cum Chief Financial Officer
DIN: 02720729

PRIYANKA SINGH
Company Secretary cum Compliance Officer
M. No.62187

Place: Chennai
Date: 29-05-2024

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

Company Overview & Significant Accounting Policies

Note: 1 Company Overview

AVP Constructions Private Limited (the Holding Company) with CIN:U45400TN2009PTC072861 was incorporated on 09th September 2009 under the provisions of the Companies Act, 1956, and having its registered office at Plot No.E-30, Second Floor, Second Avenue Besant Nagar, Chennai - 600090 and the Company name changed from AVP Constructions Private Limited to AVP Infracon Private Limited vide special resolution passed by our shareholders at the Extra Ordinary General Meeting held on 11.09.2023. Subsequently, the Company was converted into Public Limited Company vide special resolution passed by our shareholders at the Extra Ordinary General Meeting held on 20.10.2023 and the name of the Company was changed to AVP Infracon Limited ("the Company ") pursuant to issuance of Fresh Certificate of Incorporation dated 16.11.2023 by Registrar of Companies, Chennai with Corporate Identification Number U45400TN2009PLC072861.

During the year, Company has been listed on SME platform of NSE on 20th March, 2024, by way of Initial Public Offer ("IPO") of 69,79,200 fully-paid-up equity shares of face value ₹10 each at a premium of ₹65 each and Corporate Identification Number of the Company is L45400TN2009PLC072861.

The Company is engaged in the business of construction and transacts the business to construct, build, alter, acquire, convert, improve, design, erect, establish, equip, develop, dismantle, pull down, level, decorate, fabricate, reconstruct, renovate, remodel, rebuild all types of infrastructure developmental works, constructions works such as technically complex and high value projects like Express ways, National Highways, Flyovers, Bridges and Viaducts, Irrigation Projects, Urban Development - Civic amenities, Hospitals, warehouses, hotels and other Commercial and Residential Projects

Note: 2 Significant Accounting Policies

1 Basis of Preparation:

The Statement of Assets and Liabilities of the Company as on March 31, 2024, and the Statement of Profit and Loss and Statement of Cash Flows for the financial year ended on March 31, 2024 and the annexure thereto (collectively, the "Financial Statements") have been compiled by the management from the Financial Statements of the Company for the financial year ended on March 31, 2024.

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2021

2 Revenue Recognition:

The company derives its revenues primarily from construction activities including infrastructure developmental works, constructions works such as technically complex and high value projects like Express ways, National Highways, Flyovers, Bridges and Viaducts, Irrigation Projects, Urban Development - Civic amenities and other projects etc.

Construction contract receipts have been recognised as per AS-7. Revenue from construction services, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration is recognized. When it is probable that the total contract cost will exceed the total contract revenue, the company recognises the estimated loss. The following other revenues are recognized and accounted on their accrual with necessary provisions for all known liabilities and losses as per AS 9.

Interest Income: Revenue is recognized on the time proportion basis after taking into account, the amount outstanding and the rate applicable i.e on the basis of matching concept

Dividend Income: Dividend Income is recognised when the owners right to receive payment is established.

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

Other Income: Other items of income and expenditure are recognized on accrual basis and as a going concern basis, and the accounting policies are consistent with the generally accepted accounting policies.

3 Property, Plant and Equipment Including Intangible Assets:

Property, Plant and Equipments are stated at cost, less accumulated depreciation. Cost includes cost of acquisition including material cost, freight, installation cost, duties and taxes, and other incidental expenses, incurred up to the installation stage, related to such acquisition. Property, Plant and Equipments purchased in India by foreign currency are recorded in Rupees, converted at the exchange rate prevailed on the date of purchase. Intangible assets, that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss.

4 Depreciation & Amortisation:

The Company has applied the estimated useful lives as specified in Schedule II of the Companies Act 2013 and calculated the depreciation as per the Straight Line Value (SLM) method. Depreciation on new assets acquired during the year is provided at the rates applicable from the date of acquisition to the end of the financial year. In respect of the assets sold during the year, depreciation is provided from the beginning of the year till the date of its disposal.

Useful Life of Property, Plant and Equipments

Category	Schedule - II Part 'C'	Useful life
Computer & Accessories	XII (ii)	3 years
Furniture & Fittings	V (i)	10 years
Office Equipments	XI	5 years
Plant & Machinery - Construction	IV (ii) (k) (1)	12 years
Plant & Machinery - General	IV (i) (a)	15 Years
Plant & Machinery - Earth Movers	IV (ii) (k) (4)	9 years
Vehicles - General	VI (3)	8 years

5 Impairment of Assets:

The Management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognised wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price and value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. Reversal of impairment loss is recognised immediately as income in the profit and loss account.

6 Use of Estimates:

The preparation of the financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and the reported amounts of income and expenses during the year. Examples of such estimates include provisions for doubtful debts, income taxes, post - sales customer support and the useful lives of Property, Plant and Equipments and intangible assets.

7 Inventories:

Inventory of consumables/spares and loose tools are valued at lower of cost and net realisable value. The cost is calculated at purchase price and expenditure directly attributable to the acquisition of such inventories for bringing them to their present location.

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

Work in Progress— Work-in-Progress includes construction work in progress and unsold portion of completed Real Estate Projects. Increase / decrease in Work-in-Progress is accounted for as Income or Expenditure for the year, as the case may be. Valuation of Work-in-Progress including unsold portion of reality project is being done on basis of actual cost and overheads incurred which are directly attributable to project, till completion or net realizable value whichever is less.

8 Trade Receivables:

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

9 Foreign Currency Transactions:

Domestic Operation:

I . Initial Recognition :

A foreign currency transactions are recorded, on initial recognition in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

II . Measurement :

Foreign currency monetary items are reported using the closing rate.

Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

III . Treatment of Foreign Exchange :

Exchange differences arising on settlement/ restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expenses in the Statement of Profit and Loss.

10 Employee Benefits:

A. Post-Employment Benefits:

Defined Benefit Plan:

Gratuity liability is a defined benefit obligation and is unfunded. The Company accounts for liability for future gratuity benefits based on the actuarial valuation using Projected Unit Credit Method carried out as at the end of each financial year.

Defined Contribution Plan:

Provident Fund: Eligible employees receive benefit from provident fund covered under the Provident Fund Act. Both the employee and the company make monthly contributions. The employer contribution is charged off to Profit & Loss Account as an expense.

11 Taxes on Income:

Income Tax expense is accounted for in accordance with AS-22 "Accounting for Taxes on Income" for both Current Tax and Deferred Tax stated below:

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

A. Current Tax:

Provision for current tax is made in accordance with the provisions of the Income Tax Act, 1961.

B. Deferred Tax:

Deferred tax is recognised, subject to the consideration of prudence, as the tax effect of timing difference between the taxable income and accounting income computed for the current accounting year using the tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax assets are recognised and carried forward to the extent that there is a reasonable certainty, except arising from unabsorbed depreciation and carried forward losses, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

12 Provisions and Contingent Liabilities:

A provision is recognised if, as a result of past event, the Company has a present legal obligation that can be estimated reliably and it is probable that an outflow of economic benefit will be required to settle the obligation. Provisions are determined by the best estimate of outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is possible obligation or present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

13 Earnings Per Share:

Basic Earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value which is the average market value of the outstanding shares. Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

14 Cash and Cash Equivalents:

The Company's cash and cash equivalents consist of cash on hand and in banks, which can be withdrawn at any time, without prior notice or penalty on the principal. For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand, in banks are considered part of the Company's cash management system. In the balance sheet, bank overdrafts are presented under borrowings within current liabilities.

15 Cash Flow Statement:

Cash flows are reported using indirect method, whereby net profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

16 Investments:

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless stated)

Note: 3 Share Capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number	Amount	Number	Amount
a) Number and amount of equity shares Authorised #	25,000,000	2,500.00	5,000,000	500.00
b) (i) Number and amount of equity shares Issued, Subscribed and Paid-Up	24,979,200	2,497.92	4,800,000	480.00
(ii) Number and amount of equity shares Subscribed but not fully Paid-Up	-	-	-	-
Total b (i) + b (ii)		2,497.92		480.00
c) Par value per Equity share (in each)	10		10	

Authorised capital was increased from 50,00,000 equity shares to 2,50,00,000 equity shares vide members resolution and approval on 30-09-2023.

(In Nos.)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Shares outstanding at the beginning of the year	4,800,000	4,800,000
Shares issued during the year	-	-
Bonus shares issued during the year *(Refer Note Below)	13,200,000	-
Fresh issue of equity shares ** (Refer Note Below)	6,979,200	-
Shares outstanding at the end of the year	24,979,200	4,800,000

Note:

* The Company issued the Bonus shares for the existig shareholders in the ratio of 11 shares for every 4 shares held vide special resolution passed at EGM dated 20th October 2023.

** The company has raised money through Initial Public Offer ("IPO") and has got listed on NSE-SME Platform by way of fresh issue of 69,79,200 fully paid up equity shares of face value of ₹10 each at a premium of ₹65 each.

d) The rights, preferences and restrictions attaching to each class of shares:

The Company has only one class of shares and all shareholder have equal rights and there are no restriction and preferences attached to any shareholders including the right to receive dividend and repayment of Capital.

e) Shares in respect of each class in the company held by its holding company or its ultimate holding company including shares held by subsidiaries or associates of the holding company or the ultimate holding company in aggregate

f) **Details of shareholders holding more than 5% of shares:**

(In Nos.)

Name of the Shareholder	As at March 31, 2024		As at March 31, 2023	
	Number of Shares held	% of Holding	Number of Shares held	% of Holding
D. Prasanna	8,362,493	33.48%	2,229,998	46.46%
B. Venkateswarulu	5,700,000	22.82%	1,520,000	31.67%

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

g) Shareholding of Promoters

(In Nos.)

Promoter Name	No. of Shares at the end of the year	No. of Shares at the beginning of the year
D. Prasanna	8,362,493	2,229,998
B. Venkateswarulu	5,700,000	1,520,000
D. Vasanth	375,000	100,000
D. Bhagyavathy	187,500	50,000
Total	14,624,993	3,899,998

Note: 4 Reserves and Surplus

Particulars	As at March 31, 2024	As at March 31, 2023
Securities Premium		
Opening Balance	-	-
Add : Premium on fresh issue on IPO	4,536.50	-
Less : Issue expenses	(252.87)	-
Closing Balance	4,283.63	-
(a) General/ Free Reserves		
Opening Balance	1,400.00	-
Add: Additions during the year	-	1,400.00
Less: Bonus shares issued	(1,320.00)	-
Closing Balance	80.00	1,400.00
(b) Surplus		
Opening Balance	616.13	566.65
Add: Profit / (Loss) transfer from the current year	1,829.08	1,151.77
Add: Prior Period Adjustments	-	297.71
Less: Transferred to General Reserves	-	(1,400.00)
Closing Balance	2,445.21	616.13
Total	6,808.84	2,016.13

Note: 5 Long-Term Borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
Secured		
i. From banks	974.02	936.54
ii. From other Financial Institutions	2.35	106.20
Unsecured		
i) From Directors	1,414.52	1,525.21
Total	2,390.90	2,567.95

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

Note: Details of loans attached separately

Note: 6 Deferred Tax Liabilities (Net)

Particulars	As at March 31, 2024	As at March 31, 2023
On account of Depreciation	49.42	37.26
Total	49.42	37.26

Note: 7 Long-Term Provisions

Particulars	As at March 31, 2024	As at March 31, 2023
a) Provision for Gratuity	9.15	5.21
Total	9.15	5.21

Note: 8 Short-Term Borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
Secured		
a) From Banks	2,816.63	2,271.29
b) Other Financial Institutions	-	16.19
c) Current Maturities of Long-term borrowings - From Banks	648.33	425.79
d) Current Maturities of Long-term borrowings - Other Financial Institution	81.02	154.05
Unsecured		
a) From other Body Corporates	-	50.00
Total	3,545.99	2,917.32

Note: 9 Trade Payables

Particulars	As at March 31, 2024	As at March 31, 2023
(A) Total outstanding dues of Micro and Small Enterprises; and	146.43	1,678.27
(B) Total outstanding dues of creditors other than Micro and Small Enterprises	3,202.03	1,703.00

Ageing Schedule

I. Trade Payables ageing schedule for the year ended March 31, 2024

Particulars	Outstanding for following periods			Total
	0 - 1 year	1 - 2 Years	More than 2 Years	
(i) MSME	146.43	-	-	146.43
(ii) Others	3,155.98	17.77	28.28	3,202.03
Total	3,302.41	17.77	28.28	3,348.46

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

II. Trade Payables ageing schedule for the year ended March 31, 2023

Particulars	Outstanding for following periods			Total
	0 - 1 year	1 - 2 Years	More than 2 Years	
(i) MSME	1,623.62	0.13	54.52	1,678.27
(ii) Others	1,682.39	7.96	12.65	1,703.00
Total	3,306.01	8.09	67.17	3,381.27

Dues of Micro Enterprises and Small Enterprises

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Dues remaining unpaid to any supplier at the end of each accounting year		
- Principal	134.47	1,678.27
- Interest on the above	11.96	-
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(d) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Note : Based on the information available with the Company, there are no dues to Small and Micro enterprises as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006. The information regarding Micro and Small enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

Note: 10 Other Current Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
a) ESI Payable	0.03	0.03
b) TDS Payable	33.72	39.29
c) TCS Payable	0.12	0.63
d) PF Payable	1.24	0.17
e) GST Payable	399.32	-
f) Salary Payable	30.03	27.43
g) Audit Fees Payable	8.5	6.75
h) Mobilisation Advance Received from Client	-	88.64
i) Other Current liabilities	10.14	2.16
Total	483.10	165.10

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

Note: 11 Short-Term Provisions

Particulars	As at March 31, 2024	As at March 31, 2023
a) Provision for Tax	574.50	359.21
b) Provision for Gratuity	0.74	3.94
Total	575.24	363.15

Note: 12 (i) Property, Plant & Equipment

Particulars	Gross Block				Accumulated Depreciation				Net Block		
	April 1, 2023	Additions for the year	Deletions for the year	March 31, 2024	April 1, 2023	Depreciation for the Period	Depreciation on deletion	Assets Write off	March 31, 2024	March 31, 2023	March 31, 2023
Computer & Accessories	22.02	5.52	-	27.55	11.22	7.33	-	0.43	18.98	8.57	10.80
Furniture & Fittings	3.50	-	-	3.50	1.42	0.48	-	0.09	1.98	1.52	2.08
Plant & Machinery	776.62	13.32	85.21	704.73	257.14	73.23	5.72	0.33	324.98	379.75	519.48
Vehicles	1,716.30	616.13	-	2,332.43	326.22	198.52	-	-	524.74	1,807.69	1,390.08
Land & Building	1.57	-	-	1.57	-	-	-	-	-	1.57	1.57
Total	2,520.01	634.97	85.21	3,069.78	596.00	279.57	5.72	0.85	870.69	2,199.09	1,924.01

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	April 1, 2022	Additions for the year	Deletions for the year	March 31, 2023	April 1, 2022	Depreciation for the Period	Depreciation on deletion	March 31, 2023	March 31, 2023	March 31, 2022
Computer & Accessories	18.52	3.50	-	22.02	4.82	6.40	-	11.22	10.80	13.70
Furniture & Fittings	3.50	-	-	3.50	0.93	0.49	-	1.42	2.08	2.57
Plant & Machinery	521.23	255.39	-	776.62	185.12	72.02	-	257.14	519.48	336.11
Vehicles	1,394.34	557.37	235.42	1,716.30	248.32	155.75	77.84	326.22	1,390.08	1,146.03
Land & Building	1.57	-	-	1.57	-	-	-	-	1.57	1.57
Total	1,939.16	816.27	235.42	2,520.01	439.18	234.66	77.84	596.00	1,924.01	1,499.98

Note: 13 Non-Current Investments

Particulars	As at March 31, 2024	As at March 31, 2023
A) Other Investments		
Investment In Partnership Firm - AVP RMC (Registered Firm)	541.73	35.24
Total	541.73	35.24

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

Note: 14 Other Non-Current Assets

Particulars	As at March 31, 2024	As at March 31, 2023
a) Deposits - Earnest Money deposit (EMD)	249.73	477.79
b) Other Deposits	316.20	85.97
Total	565.93	563.76

Note: 15 Inventories

Particulars	As at March 31, 2024	As at March 31, 2023
Work in Progress	6,342.68	5,352.98
Closing Stock	486.53	730.28
Total	6,829.21	6,083.26

Note: 16 Trade Receivables

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables	6,210.15	952.85
Total	6,210.15	952.85

Ageing Schedule

I. Trade Receivables ageing schedule for the year ended March 31, 2024

Particulars	Outstanding for following periods from due date of payment			
	< 6 Months	6 Months - 1 Year	1 - 2 Years	More than 2 Years
(i) Undisputed Trade Receivables - Considered good	5,477.49	289.60	319.43	123.63
Total:	5,477.49	289.60	319.43	123.63

II. Trade Receivables ageing schedule for the year ended March 31, 2023

Particulars	Outstanding for following periods from due date of payment			
	< 6 Months	6 Months - 1 Year	1 - 2 Years	More than 2 Years
(i) Undisputed Trade Receivables - Considered good	546.74	153.65	121.90	130.56
Total:	546.74	153.65	121.90	130.56

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

Note: 17 Cash and Cash Equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
i) Balance with banks	1,453.45	313.23
ii) Cash in hand	12.72	344.42
Total	1,466.17	657.65

Note: 18 Short-Term Loans and Advances

Particulars	As at March 31, 2024	As at March 31, 2023
A. Unsecured, Considered good		
a) Other Advances given to Suppliers & contractors	1,504.58	1,343.03
b) Rental Advances/Deposits	17.03	13.71
c) Advance For Site Expenses	1.54	2.74
d) Staff Loans and Advance	2.90	0.26
Total	1,526.06	1,359.74

Note: 19 Other Current Assets

Particulars	As at March 31, 2024	As at March 31, 2023
TDS Receivables	304.26	239.94
GST TDS Receivable	2.90	14.20
Prepaid Expenses	46.77	17.78
Balances with Government Authorities	16.62	84.95
Other receivables	0.11	-
Total	370.67	356.87

Note: 20 Revenue From Operations

Particulars	For the year ended March 31,	
	2024	2023
Sale of services:		
Contract Receipts - Works Contract	15,100.24	10,633.56
Total	15,100.24	10,633.56

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

Note: 21 Other Income

Particulars	For the year ended March 31,	
	2024	2023
Interest Income	27.49	21.89
Share of Profit from Partnership Firm	106.48	30.24
Price Escalation	14.07	-
Other Income	26.33	29.71
Total	174.38	81.84

Note: 22 Purchases

Particulars	For the year ended March 31,	
	2024	2023
Purchases of Raw Material	9,276.31	8,399.54
Total	9,276.31	8,399.54

Note: 23 Changes in Inventories

Particulars	For the year ended March 31,	
	2024	2023
Opening Stock of Raw Materials and Work in Progress	6,083.26	2,424.87
Less: Closing Stock of Raw Materials and Work in Progress	(6,829.21)	(6,083.26)
Total	(745.95)	(3,658.39)

Note: 24 Other Direct Expenses

Particulars	For the year ended March 31,	
	2024	2023
Electricity Charges	12.78	44.44
Machinery Rent	374.41	392.45
Freight & Transport Expense	167.63	507.22
Security Charges	14.53	21.04
Plant Maintenance	15.48	5.06
Vehicle Maintenance & Insurance	334.72	183.88
Wages And Sub Contract Payments	884.49	1,163.81
Water Expense	18.74	12.59
Power and Fuel	715.10	972.09
Site Expenses	26.77	39.22
Total	2,564.64	3,341.80

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

Note: 25 Employee Benefits Expenses

Particulars	For the year ended March 31,	
	2024	2023
Salaries & Wages	383.59	202.30
Director's Remuneration	184.60	50.00
Employee Gratuity	0.74	3.94
Staff Welfare	78.88	90.56
Total	647.81	346.80

Note: 26 Finance Costs

Particulars	For the year ended March 31,	
	2024	2023
Interest & Finance charges	560.08	344.02
Bank Charges	53.81	27.75
Others	34.24	-
Total	648.13	371.77

Note: 27 Depreciation & Amortisation Expenses

Particulars	For the year ended March 31,	
	2024	2023
Depreciation on Tangible Assets	279.57	234.66
Total	279.57	234.66

Note: 28 Other Expenses

Particulars	For the year ended March 31,	
	2024	2023
Rent Expenses	26.73	33.44
Travelling Expense	16.27	25.08
Internet Charges	0.46	1.08
Advertisement	6.99	2.53
Other Expenses	49.06	18.47
Loss on Sale of Vehicle	-	58.39
Professional & Consulting fee	33.67	5.08
Audit Fees	8.50	7.50
Repairs & maintenance	6.00	10.56
Printing and Stationery	6.03	9.90
Rates and Taxes	39.07	3.39
Total	192.78	175.42

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

Note: 29 Earnings per equity share: (In ₹ Per share)

Particulars	For the year ended March 31,	
	2024	2023
Profit after tax for the year attributable to Equity (A)	1,829.08	1,151.77
Basic & Diluted		
Outstanding Number of Equity Shares before Bonus issue (Nos. in Lakhs) (B)	48	48
Outstanding Number of Equity Shares before IPO or Post Bonus Issue (Nos.in lakhs) (c)	180	48
Outstanding Number of Equity Shares at the end of the year (Nos. in Lakhs) (D)	249.79	48
Weighted Average Number of Equity Shares at the end of the year (Nos. in Lakhs) (E)	182.09	48
Earnings Per Share		
Pre Bonus Issue (Outstanding no. of shares at the beginning of the year) (A/B)		
Basic EPS (in ₹)	38.10	23.99
Diluted EPS (in ₹)	38.10	23.99
Pre IPO & Post Bonus Issue (A/C)		
Basic EPS (in ₹)	10.16	23.99
Diluted EPS (in ₹)	10.16	23.99
Post IPO (Outstanding no. of shares at the end of the year) (A/D)		
Basic EPS (in ₹)	7.32	23.99
Diluted EPS (in ₹)	7.32	23.99
Post IPO (Weighted average no. of shares) (A/E)		
Basic EPS (in ₹)	10.04	23.99
Diluted EPS (in ₹)	10.04	23.99

30. Other Notes to Accounts

1 Contingent Liabilities and Commitments (to the extent not provided for):

A. Contingent Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Claims against the company not acknowledged as debt	Nil	Nil
Bank Guarantees - Related to performance guarantee in various contracts	Nil	Nil
Other money for which the company may be contingently liable*	Nil	Nil
Total	Nil	Nil

B. Commitments

Particulars	As at March 31, 2024	As at March 31, 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for	Nil	Nil
Uncalled liability on shares and other investments partly paid	Nil	Nil
Other commitments	Nil	Nil
Total	Nil	Nil

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

* Note :

In the construction business, the contractor shall be responsible to make good at their own cost for any defects arise out of faulty workmanship or quality related issues in delivering the accepted quality which may develop post a certain period after completion of works. This period is called defect liability period, and it may vary from contract to contract and in usual terms it is for a period 3 years to 5 years from completion of work. During this defect liability period there exists a contingency on part of the company to incur any additional cost that may arise in making good for any defects or issues that may arise. This contingent liability is inherent in nature for this business and cannot be quantified at inception or as the work progresses.

2 Utilisation of proceeds raised by way of Initial Public Offer (IPO):

(All amounts are in ₹ lakhs)

S No	Objective of the Issue	Amount Alloted for the object	Amount Utilised till March 31,2024	Amount Unutilised till March 31,2024	Deviation (if Any)
1	Capital Expenditure	1,500.00	-	1,500.00	NA
2	Working Capital Expenditure	3,000.00	2,973.85	26.15	NA
3	General Corporate Purpose	484.00	484.40	-	NA
4	Issue Expenses	250.00	250.00	-	NA

3 Proposed Dividend Details:

The Company has not declared dividend during the period under review.

4 No issue of securities were made for any specific purpose by the Company during the reporting year.

5 The Company has not made borrowings from banks and financial institutions for any specific purposes during the year.

6 The assets other than Property, Plant and Equipment, Intangible Assets and non-current investments have value on realization in the ordinary course of business equal to the amount at which they are stated.

7 Details of Benami Property Held:

There are no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988).

8 The Company has made borrowings from the banks on the basis of security of current assets, and the statements of current assets as required to be filed by the Company with any the banks or financial institutions are done periodically.

9 Wilful Defaulter:

The company is not declared as wilful defaulter by any bank or financial institution or other lender.

10 Relationship with Struck off Companies:

The Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013.

11 Registration of Charges or Satisfaction with Registrar of Companies:

The Company has no charge which is yet to be registered with Registrar of Companies beyond the statutory period .

12 Compliance with Number of Layers of Companies:

The Company has no subsidiaries hence layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 are not applicable, however the company has invested in a registered partnership firm AVP RMC.

13 Compliance with Approved Scheme(s) of Arrangements:

No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

14 Utilisation of Borrowed Funds and Share Premium:

A. The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

(i) 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

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

B. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall

(i) 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

(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

15 Payment to the Auditor:

(All amounts are in ₹. lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Statutory Audit	7.50	6.00
Tax Audit Fees	1.00	1.50
Other Matters	-	-
Total	8.50	7.50

16 Corporate Social Responsibility:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Details of corporate social responsibility expenditure		
(i) Amount required to be spent by the group during the year	14.23	-
(ii) Amount spent during the year	14.25	-
(iii) Shortfall at the year end	-	-
(iv) Total of previous year shortfall	-	-
(v) Reason for shortfall	-	-
(vi) Nature of CSR Activities	For upliftment of underprivileged communities by focusing on areas such as education, healthcare, skill development, and infrastructure improvement.	
Total	-	-

17 No amounts have been set aside or proposed to be set aside to reserve to meet any specific liability, contingency or commitment known to exit at the date as at which balance sheet made up.

18 In the case of all Concerns Having Capital Work in Progress:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Capital Works in Progress	-	-
Total	-	-

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

19 Foreign Currency Earned and Expended:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Export of Goods & Services	-	-
Total	-	-

20 Undisclosed Income:

There are no transactions that were not recorded in the books of account, and which has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

There is no previously unrecorded income and related assets have been recorded in the books of account during the year.

21 Details of Crypto Currency or Virtual Currency:

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

22 Dues to Micro, Small and Medium Enterprise (MSME):

The dues towards micro and small enterprises have been disclosed in the scheduleds to balance sheet.

23 Disclosure of related parties/related party transactions pursuant to Accounting Standard (AS) - 18 "Related Party Disclosures":

S No	Name of the Party	Nature of RP	Relationship
1	AVP RMC	Partnership Firm	AVP Infracon Ltd have Significant Control in AVP RMC
2	B.Venkateswarulu	Key Managerial Personnel	Joint Managing Director
3	D.Prasanna	Key Managerial Personnel	Managing Director
4	AVP Associates	Partnership Firm	Directors having Significant Control
5	D Vasanth	Key Managerial Personnel	Whole Time Director

(All amounts are in . lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Purchase (Without Gst)		
AVP RMC	620.44	1,005.58
Sales to (Without Gst)		
AVP RMC	69.91	175.40
Outstanding as on 31st		
Payable to		
AVP RMC	1.25	327.59
Investments		
Outstanding as on 31st		
AVP RMC	541.73	35.24
Key management Personal		

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Remuneration Paid to		
Dhandayuthapani Prasanna	66.50	25.00
Bollam Venkateshwarlu	72.50	25.00
Dhandayuthapani Vasanth	40.40	-
Total	179.40	50.00
Outstanding as on 31st		
Receivable From		
AVP Associates	23.75	23.75
Total	23.75	23.75
Loans from Director		
Dhandayuthapani Prasanna	1,294.81	1,400.48
Bollam Venkateshwarlu	108.09	124.73
Dhandayuthapani Vasanth	11.62	-
Total	1,414.52	1,525.21

24 Income Taxes:

I. Minimum Alternate Tax

Company has opted for special rate of tax of the Income Tax Act, 1961. Hence, MAT asset is not recognised.

II. Current Tax

(All amounts are in ₹. lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current Tax	572.56	359.21
Add: Tax Adjustment for earlier years	-	-
Net Current Tax	572.56	359.21

25 Exchange Difference:

(All amounts are in ₹. lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Exchange Difference Gain/(Loss)	-	-
Total	-	-

26 Employee Benefit (Incurred in India):

Gratuity - The Present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method. This method considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

Interest Cost: It is the increase in the Plan liability over the accounting period resulting from the operation of the actuarial assumption of the interest rate.

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

Current Service Cost: It is the discounted present value of the benefits from the Plan's benefit formula attributable to the services rendered by employees during the accounting period.

Actuarial Gain or Loss: occurs when the experience of the Plan differs from that anticipated from the actuarial assumptions. It could also occur due to changes made in the actuarial assumptions.

(i) Reconciliation of Opening and Closing Balance of Gratuity Obligations:

(All amounts are in . lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Net Liability as at the Beginning of the Period	9.15	5.22
Net Expenses in P/L A/c	0.74	3.94
Benefits Paid	-	-
Net Liability as at the End of the Period	9.89	9.15
Present Value of Gratuity Obligation (Closing)	9.89	9.15

(ii) Expenses Recognised in Statement of Profit and Loss during the Year:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest Cost	0.69	0.39
Current Service Cost	3.61	3.51
Past Service Cost	-	-
Expected Return on Plan Assets	-	-
Curtailement Cost (Credit)	-	-
Settlement Cost (Credit)	-	-
Net Actuarial (gain) / loss	(3.56)	0.03
Net Expenses to be Recognized in P&L	0.74	3.94
Total	0.74	3.94

(iii) Changes in Benefit Obligations:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening Defined benefit Obligation	9.15	5.22
Current service Cost	3.61	3.51
Interest Cost for the Year	0.69	0.39
Actuarial Losses (gains)	(3.56)	0.03
Benefits Paid	-	-
Closing Defined benefit Obligation	9.89	9.15
Total	9.89	9.15

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

Actuarial Assumptions:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Rate of Discounting	7.22%	7.55%
Salary Escalation	7.00%	7.00%
Attrition Rate	10.00%	10.00%
Mortality rate during employment Indian	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

27 Cash Flow Statement:

- The amount of significant cash and cash equivalent balances held by the enterprise as at March 31, 2024 was ₹14,66,16,692/- that are available for use by Company.
- The Company has appropriate amount of Cash Flows that are required to maintain operating capacity.
- Company is investing adequately in the maintenance of its operating capacity.

Additional Disclosures:

(All amounts are in ₹ . lakhs)

I. Components of Cash and Cash Equivalents:	For the year ended March 31, 2024	For the year ended March 31, 2023
Cash in Hand	12.72	344.42
Balance with Banks	1,453.45	313.23
Total Components of Cash and Cash Equivalents	1,466.17	657.65

28 Changes in Accounting Estimates:

There are no changes in Accounting Estimates made by the Company for the period ended 31st March 2024.

29 Changes in Accounting Policies:

There are no changes in Accounting Policy made by the Company for the period ended 31st March 2024.

30 Disclosures on Property, Plant and Equipment and Intangible Assets:

I. Property, Plant and Equipment

- There is no restriction on the title of Property, Plant and Equipment, subject to only those which are under hypothecation/ charge.
- Company has no contractual commitments for the acquisition of Property, Plant & Equipment.
- Company has no Impairment loss during the period for Property, Plant & Equipment.
- Assets are periodically checked for active usage and those which are retired are written off.
- There are no temporarily idle property, plant and equipment.
- Intangible asset is amortised as per Schedule II.
- The carrying amount and remaining amortization period of any individual intangible asset are not material to the financial statements of the enterprise as a whole.

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

- There are no amounts of intangible assets whose title is restricted and the carrying amounts of intangible assets pledged as security for liabilities.

31 Investments:

I. Profits and Losses with Regard to Investments have been Disclosed as under:

- Profits and losses on disposal of current investments
- Profits and losses on changes in the carrying amount of current investments
- Profits and losses on disposal of long-term investments
- Profits and losses on changes in the carrying amount of long-term investments

32 Segment Reporting:

The Company has considered the business segment as the primary reporting segment. The business segment have been identified on the basis of the nature of products and services, the risks and returns, internal organisation and management structure and the internal performance reporting systems. The business segment comprises of construction and transacts the business to construct, build, alter, acquire, convert, improve, design, erect, establish, equip, develop, dismantle, pull down, level, decorate, fabricate, reconstruct, renovate, remodel, rebuild all types of infrastructure developmental works and constructions works. business of construction and transacts the business to construct, build, alter, acquire, convert, improve, design, erect, establish, equip, develop, dismantle, pull down, level, decorate, fabricate, reconstruct, renovate, remodel, rebuild all types of infrastructure developmental works, constructions works

33 Earnings Per Share:

(All amounts are in ₹ lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
1. Profit attributable to equity shareholders before extraordinary items (A)	1,829.08	1,151.77
2. Profit attributable to equity shareholders after extraordinary items (B)	1,829.08	1,151.77
3. Number of equity shares outstanding during the year (C) (Nos.in lakhs)	249.79	48.00
4. Weighted average number of equity shares outstanding during the year (C) (Nos. in lakhs)	182.10	48.00
5. Effect of potential equity shares on employee stock options outstanding	-	-
6. Effect of any other items of potential Equity Shares eg.Convertible Debentures, Convertible Preference Shares	-	-
7. Weighted average number of potential equity shares outstanding during the year for the purpose of computing Diluted Earnings Per Share (D) (Nos.in lakhs)	182.10	48.00
8. Basic earnings per share based on shares outstanding at the year end, of face value of ₹ 10 (A/C)	7.32	24.00
9. Diluted earnings per share based on shares outstanding at the year end, of face value of ₹ 10 (B/C)	7.32	24.00
10. Basic earnings per share before extraordinary items of face value of ₹ 10 (A/D)	10.04	24.00
11. Basic earnings per share after extraordinary items of face value of ₹ 10 (B/D)	10.04	24.00
12. Diluted earnings per share before extraordinary items of face value of ₹ 10 (A/E)	10.04	24.00
13. Diluted earnings per share after extraordinary items of face value of ₹ 10 (B/E)	10.04	24.00

34 Balance shown under head Sundry debtors, creditors and advances are subject to confirmation.

35 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with current year's classification.

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

36 Ratios:

(All amounts are in ₹ lakhs)

S No	Particulars	2024	2023	% Variance	Reason for variance
a.	"Current Ratio Current Assets / Current liabilities"	2.06	1.38	49.55%	The working capital has increased in line with increase in revenue and the internal accruals are invested for the conduct of the business thus increasing the current ratio.
b.	"Debt-Equity Ratio Total Outside Liabilities / Total Shareholder's Equity"	0.49	1.59	69.37%	Ratio has decreased due to increase in equity shares
c.	"Debt Service Coverage Ratio EBITDA / (Interest + Principal)"	2.42	2.22	9.31%	Ratio has increased due to increase in Profits without much of increase in debt.
d.	"Return on Equity Ratio (Net Profit After Taxes - Preference Dividend if any) / Net Worth"	0.20	0.46	(57.41%)	Ratio has decreased due to increase in total equity
e.	"Trade Receivables Turnover Ratio Credit Sales / Average Trade Receivables"	4.22	8.86	(52.43%)	Ratio has decreased due to increase in average trade receivables
f.	"Inventory Turnover Ratio (in times) COGS / Average Inventory"	1.32	1.11	18.55%	Ratio increase due to increase in cost of goods sold
g.	"Trade payable Turnover Ratio (in times) Credit purchases/Average Trade Payables"	2.76	3.36	(18.00%)	Ratio decrease due to increase in credit purchase
h.	"Net Capital Turnover Ratio COGS / Working capital"	1.01	1.84	(44.99%)	Ratio decrease due to increase in current assets
i.	"Net Profit (after tax) Ratio Net Profit (after tax)/ Total Sales * 100"	12.11%	10.83%	11.83%	Ratio increase due to increase in PAT and total sales
j.	"Return on Capital Employed (EBIT / Capital Employed) * 100"	20.02%	23.39%	(14.43%)	Ratio decrease due to increase in capital employed

As per our Report on even date
For P P N AND COMPANY
Chartered Accountants

Firm Reg No: 013623S
Peer Review Certificate No. 013578

R.RAJARAM
Partner

Membership No: 238452
UDIN No: 24238452BKAGLG9952

Place: Chennai
Date: 29-05-2024

For and on behalf of the Board of Directors of
AVP INFRACON LIMITED
(formerly known as AVP Infracon Private Limited & AVP Constructions Private Limited)

D. PRASANNA
Managing Director
DIN: 02720759

B. VENKATESHWARALU
Joint Managing Director cum Chief Financial Officer
DIN: 02720729

PRIYANKA SINGH
Company Secretary cum Compliance Officer
M. No.62187

INDEPENDENT AUDITOR'S REPORT

To,
The Members of,
AVP INFRACON LIMITED.,

Report on the Audit of the Consolidated Financial Statements

Opinion

- We have audited the consolidated financial statements of AVP Infracon Limited ("the Parent" / "the Holding Company") and its subsidiaries, (the Parent/ Holding Company and its Subsidiaries together referred to as "the Group") which comprise the consolidated balance sheet as at 31st March, 2024, the consolidated statement of profit and loss and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of the 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 consolidated financial statements give the information required by the Companies Act, 2013 as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2024, and their consolidated profit/ loss and cash flows for the year ended on that date.

Basis for Opinion

- We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) as specified under section 143(10) of the Act. 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 Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated 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 consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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 and Directors Report (the "Reports") including Annexures 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, we conclude that there is no material misstatement of this other information, we are required to report that fact and we have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT

Management's Responsibility for the Consolidated Financial Statements:

9. The Parent's/ Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
10. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group is 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 management either intends to liquidate or to cease operations, or has no realistic alternative but to do so.
11. The respective Board of Directors of the company included in the Group is also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements:

12. 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.
13. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
 - i. 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.
 - ii. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent/ Holding Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
 - iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
 - iv. 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 auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT

- v. 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.
14. 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 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 consolidated financial statements.
15. We communicate with those charged with governance of the Parent/ Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.
16. 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.

Other Matters:

17. We have audited the financial statements/financial information of subsidiaries, whose financial statements/financial information reflect total assets of Rs. 2,848.22 Lakhs as at 31st March, 2024 and revenue from operations of Rs. 1,584.06 Lakhs for the year ended on that date, as considered in the consolidated financial statements.

These financial statements/financial information were audited, which has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on such audited financial statements/financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements/ financial information are material to the Group.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the financial statements / financial information certified by the Management

Report on Other Legal and Regulatory Requirements:

18. As required by Section 143(3) of the Act, we report that:
 - i. 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.
 - ii. 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.
 - iii. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - iv. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act read with the Rule 7 of Companies (Accounts) Rules, 2014, as amended.
 - v. On the basis of the written representation received from the directors of the Parent/ Holding Company 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.

INDEPENDENT AUDITOR'S REPORT

vi. 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of the company.

vii. 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, the remuneration paid/provided by the Parent/ Holding Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V to the Act.

viii. 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Group does not have any pending litigations which would impact its financial position in its financial statements.
- ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.

For P P N And Company
Chartered Accountants
Firm's Registration No: 013623S
Peer Review Certificate No.013578

R. Rajaram
Partner
M. No: 238452
UDIN: 24238452BKAGLJ2731

Date: 29-05-2024
Place: Chennai

ANNEXURE - A

(Referred to in paragraph 18(vi) under 'Report on Other Legal and Regulatory Requirements' section of our report)

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

We have audited the internal financial controls over financial reporting of AVP INFRACON LIMITED (hereinafter referred to as "the Parent/ Holding Company") as of March 31, 2024 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date. Reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is not applicable to the subsidiary.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent/Holding Company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to holding 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 Parent/ Holding 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 Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

A company's internal financial control over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

ANNEXURE - A

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Parent/ Holding 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 Parent/ Holding 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 P P N And Company
Chartered Accountants
Firm's Registration No: 013623S
Peer Review Certificate No.013578

R. Rajaram
Partner
M. No: 238452
UDIN: 24238452BKAGLJ2731

Date: 29-05-2024
Place: Chennai

CONSOLIDATED BALANCE SHEET

as at March 31, 2024

(All amounts are in ₹ lakhs unless stated)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
I. EQUITY AND LIABILITIES			
1 SHAREHOLDERS' FUNDS			
(a) Share Capital	3	2,497.92	480.00
(b) Reserves and Surplus	4	6,899.94	2,016.14
2 MINORITY INTEREST	5	248.04	340.62
3 NON-CURRENT LIABILITIES			
(a) Long-Term Borrowings	6	2,509.54	2,882.10
(b) Deferred Tax Liabilities (Net)	7	101.38	37.26
(c) Long-Term Provisions	8	12.54	9.15
4 CURRENT LIABILITIES			
(a) Short-Term Borrowings	9	4,020.35	3,847.21
(b) Trade Payables	10		
(A) Total Outstanding Dues of Micro Enterprises and Small Enterprises; and		146.43	1,678.23
(B) Total Outstanding Dues of Creditors Other than Micro Enterprises and Small Enterprises		4,420.64	2,542.85
(c) Other Current Liabilities	11	512.77	372.51
(d) Short-Term Provisions	12	644.71	374.95
TOTAL EQUITY AND LIABILITIES		22,014.25	14,581.02
II. ASSETS			
1 NON-CURRENT ASSETS			
(a) Property, Plant & Equipment and Intangible Assets			
(i) Property, Plant & Equipment	13	3,057.00	2,748.89
(ii) Intangible Assets			-
(b) Other Non-Current Assets	14	565.93	563.76
2 CURRENT ASSETS			
(a) Inventories	15	8,338.44	7,345.13
(b) Trade Receivables	16	6,402.77	1,070.79
(c) Cash and Cash Equivalents	17	1,537.74	886.68
(d) Short-Term Loans and Advances	18	1,536.53	1,388.00
(e) Other Current Assets	19	575.83	577.76
TOTAL ASSETS		22,014.25	14,581.02
Company overview, Significant Accounting Policies & Other notes on accounts	1, 2 & 30		

The accompanying notes form an integral part of the financial statements

As per our Report on even date
For P P N AND COMPANY
Chartered Accountants

Firm Reg No: 013623S
Peer Review Certificate No. 013578

R. RAJARAM
Partner
Membership No: 238452
UDIN No: 24238452BKAGLJ2731

Place: Chennai
Date: 29-05-2024

**For and on behalf of the Board of Directors of
AVP INFRACON LIMITED
(formerly known as AVP Infracon Private Limited & AVP Constructions Private Limited)**

D. PRASANNA
Managing Director
DIN: 02720759

B. VENKATESHWARALU
Joint Managing Director cum Chief Financial Officer
DIN: 02720729

PRIYANKA SINGH
Company Secretary cum Compliance Officer
M. No.62187

STATEMENT OF CONSOLIDATED PROFIT AND LOSS

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless stated)

Particulars	"Note No.	As at March 31, 2024	As at March 31, 2023
I Revenue From Operations	20	16,086.79	11,498.08
II Other Income	21	68.84	52.00
III Total Income (I+II)		16,155.63	11,550.08
IV Expenses			
Purchases	22	9,521.59	8,581.27
Changes in Inventories	23	(993.31)	(3,884.99)
Other Direct Expenses	24	2,966.44	3,775.54
Employee Benefits Expense	25	807.89	507.77
Finance Costs	26	710.07	438.82
Depreciation & Amortisation Expenses	27	337.94	380.16
Other Expenses	28	249.14	228.61
Total Expenses (IV)		13,599.77	10,027.17
V Profit Before Exceptional and Extraordinary Items and Tax (III-IV)		2,555.87	1,522.91
VI Exceptional Items		-	-
VII Profit before extraordinary items and tax (V-VI)		2,555.87	1,522.91
VIII Extraordinary items		-	-
IX Profit before tax (VII-VIII)		2,555.87	1,522.91
X Tax Expense:			
(1) Current Tax		638.53	374.95
(2) Deferred Tax		34.66	(7.18)
(3) Tax Adjustment for earlier years			
XI Profit (Loss) for the period from continuing operations (IX-X)		1,882.68	1,155.14
XII Less: Share of Minority Interest		16.01	3.36
XIII Net Profit Transferred to Reserves & Surplus		1,866.67	1,151.78
XIV Profit/(Loss) For The Period		1,866.67	1,151.78
XV Earnings per equity share: (In ₹ Per share)	29		
(1) Basic		10.25	24.00
(2) Diluted		10.25	24.00
Company overview, Significant Accounting Policies & Other notes on accounts	1, 2 & 30		

The accompanying notes form an integral part of the financial statements

As per our Report on even date
For P P N AND COMPANY
Chartered Accountants

Firm Reg No: 013623S
Peer Review Certificate No. 013578

R.RAJARAM
Partner
Membership No: 238452
UDIN No: 24238452BKAGLJ2731

**For and on behalf of the Board of Directors of
AVP INFRACON LIMITED
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D. PRASANNA
Managing Director
DIN: 02720759

B. VENKATESHWARALU
Joint Managing Director cum Chief Financial Officer
DIN: 02720729

PRIYANKA SINGH
Company Secretary cum Compliance Officer
M. No.62187

Place: Chennai
Date: 29-05-2024

STATEMENT OF CONSOLIDATED CASH FLOW

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless stated)

Particulars	As at March 31, 2024	As at March 31, 2023
A CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Profit Before Tax	2,555.87	1,609.35
Adjustments for:		
Depreciation	337.94	290.34
Provision for Gratuity	4.25	7.32
Interest Expenses	710.07	438.82
Interest Income	(27.49)	(21.89)
Operating Profit before working capital changes:	3,580.64	2,323.94
Adjustments for changes in working capital:		
(Increase)/Decrease in Inventories	(993.31)	(3,884.99)
(Increase)/Decrease in Trade Receivables	(5,331.98)	359.77
(Increase)/Decrease in Short term Loans & Advances	(148.53)	(1,343.29)
(Increase)/Decrease in Other Current assets	1.93	(471.09)
Increase/(Decrease) in Trade and Other payables	345.99	1,774.75
Increase/(Decrease) in Short-Term Borrowings	173.14	2,140.50
Increase/(Decrease) in Other Current Liabilities & Provisions	144.69	277.55
Cash generated from operations	(2,227.44)	1,177.14
Less: Income Tax Paid	(374.95)	-
NET CASH FROM OPERATING ACTIVITIES (A)	(2,602.39)	1,177.14
B CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received	27.49	21.89
Fixed assets purchased including Intangible Assets	(556.23)	(897.08)
(Increase)/Decrease in Non-Current Investments	-	(5.00)
(Increase)/Decrease in Other Non-Current Assets	(2.17)	(62.37)
NET CASH USED IN INVESTING ACTIVITIES (B)	(530.91)	(942.57)
C CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(710.07)	(438.82)
Increase/(Decrease) in Long-Term Borrowings	(372.56)	504.22
Increase/ (Decrease) in Equity share capital/ Partner's capital	(114.54)	206.68
Funds Received through new issue of New Shares in Initial Public Offer	5,234.40	-
Issue Related Expenses	(252.87)	-
NET CASH USED IN FINANCING ACTIVITIES (C)	3,784.36	272.08
D NET INCREASE IN CASH AND CASH EQUIVALENT (A+B+C)	651.06	506.65
Opening Cash and Cash Equivalents	886.67	380.02
CLOSING CASH AND CASH EQUIVALENT	1,537.73	886.67

The accompanying notes form an integral part of the financial statements

As per our Report on even date
For P P N AND COMPANY
Chartered Accountants

Firm Reg No: 013623S
Peer Review Certificate No. 013578

R.RAJARAM
Partner
Membership No: 238452
UDIN No: 24238452BKAGLJ2731

**For and on behalf of the Board of Directors of
AVP INFRACON LIMITED
(formerly known as AVP Infracon Private Limited & AVP Constructions Private Limited)**

D. PRASANNA
Managing Director
DIN: 02720759

B. VENKATESHWARALU
Joint Managing Director cum Chief Financial Officer
DIN: 02720729

PRIYANKA SINGH
Company Secretary cum Compliance Officer
M. No.62187

Place: Chennai
Date: 29-05-2024

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

Company Overview & Significant Accounting Policies

Note: 1 Company Overview

AVP Constructions Private Limited (the Holding Company) with CIN:U45400TN2009PTC072861 was incorporated on 09th September 2009 under the provisions of the Companies Act, 1956, and having its registered office at Plot No.E-30, Second Floor, Second Avenue Besant Nagar, Chennai - 600090 and the company name changed from AVP Construction Private limited to AVP Infracon Private Limited vide special resolution passed by our shareholders at the Extra Ordinary General Meeting held on 11.09.2023. Subsequently, the Company was converted into Public Limited Company vide special resolution passed by our shareholders at the Extra Ordinary General Meeting held on 20.10.2023 and the name of the Company was changed to AVP Infracon Limited (‘the Company’) pursuant to issuance of Fresh Certificate of Incorporation dated 16.11.2023 Registrar of Companies, Chennai with Corporate Identification Number U45400TN2009PLC072861.

During the year, Company has been listed on SME platform of NSE on 20th March, 2024, by way of Initial Public Offer (“IPO”) of 69,79,200 fully-paid-up equity shares of face value Rs.10 each at a premium of Rs.65 each and Corporate Identification Number of the Company is L45400TN2009PLC072861.

The Company is engaged in the business of construction and transacts the business to construct, build, alter, acquire, convert, improve, design, erect, establish, equip, develop, dismantle, pull down, level, decorate, fabricate, reconstruct, renovate, remodel, rebuild all types of infrastructure developmental works, constructions works such as technically complex and high value projects like Express ways, National Highways, Flyovers, Bridges and Viaducts, Irrigation Projects, Urban Development - Civic amenities, Hospitals, warehouses, hotels and other Commercial and Residential Projects

Note: 2 Significant Accounting Policies

1 Basis of Preparation:

The Consolidated Financial Statements have been prepared in accordance with Indian Generally Accepted Accounting Principles (IGAAP) under historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards prescribed by the Companies (Accounting Standards) Rules, 2021.

2 Basis of Consolidation:

As per Rule 6 of the Companies (Accounts) Rules, 2014 the consolidation of financial statements of the company shall be made in accordance with the provisions of Schedule III of the Act and the applicable accounting standards. As per para 5.2 of Accounting Standard AS -21 “A subsidiary is an enterprise that is controlled by another enterprise (known as the parent)”, by virtue of the above provisions of Accounting Standard AS-21, “M/s AVP RMC” being a partnership firm is considered as a subsidiary for preparation of consolidated financials. The basis of consolidation is in nature of investment in subsidiary, further as per para 10 of Accounting Standard AS-21 Consolidation of financial statements, a subsidiary is an entity over which the company has directly or indirectly control of more than one-half of the voting rights.

As the company has more than one-half of control over the firm “M/s AVP RMC”, hence “M/s AVP RMC” is considered as a subsidiary and the financial statements of the group are consolidated on a line-by-line basis and intra-group balances and transactions, including unrealized gain / loss from such transactions, are eliminated upon consolidation. These financial statements are prepared by applying uniform accounting policies in use at the Group. Minority interests which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the Company, are disclosed separately.

3 Revenue Recognition:

The company derives its revenues primarily from construction activities including infrastructure developmental works, constructions works such as technically complex and high value projects like Express ways, National Highways, Flyovers, Bridges and Viaducts, Irrigation Projects, Urban Development - Civic amenities and other projects etc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

Construction contract receipts have been recognised as per AS-7. Revenue from construction services, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration is recognized. When it is probable that the total contract cost will exceed the total contract revenue, the company recognises the estimated loss. The following other revenues are recognized and accounted on their accrual with necessary provisions for all known liabilities and losses as per AS 9.

In case of sale of goods, Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured in accordance with AS-9, Revenue Recognition. Sales are recognized on accrual basis, and only after transfer of services to the customer.

Interest Income: Revenue is recognized on the time proportion basis after taking into account the amount outstanding and the rate applicable i.e on the basis of matching concept

Dividend Income: Dividend Income is recognised when the owners right to receive payment is established.

Other Income: Other items of income and expenditure are recognized on accrual basis and as a going concern basis, and the accounting policies are consistent with the generally accepted accounting policies.

4 Property, Plant and Equipment Including Intangible Assets:

Property, Plant and Equipments are stated at cost, less accumulated depreciation. Cost includes cost of acquisition including material cost, freight, installation cost, duties and taxes, and other incidental expenses, incurred up to the installation stage, related to such acquisition. Property, Plant and Equipments purchased in India in foreign currency are recorded in Rupees, converted at the exchange rate prevailed on the date of purchase. Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss.

5 Depreciation & Amortisation:

The Company has applied the estimated useful lives as specified in Schedule II of the Companies Act 2013 and calculated the depreciation as per the Straight Line Value (SLM) method. Depreciation on new assets acquired during the year is provided at the rates applicable from the date of acquisition to the end of the financial year. In respect of the assets sold during the year, depreciation is provided from the beginning of the year till the date of its disposal.

Useful Life of Property, Plant and Equipments

Category	Schedule - II Part 'C'	Useful life
Computer & Accessories	XII (ii)	3 years
Furniture & Fittings	V (i)	10 years
Office Equipments	XI	5 years
Plant & Machinery - Construction	IV (ii) (k) (1)	12 years
Plant & Machinery - General	IV (i) (a)	15 Years
Plant & Machinery - Earth Movers	IV (ii) (k) (4)	9 years
Vehicles - General	VI (3)	8 years

6 Impairment of Assets:

The Management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognised wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price and value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. Reversal of impairment loss is recognised immediately as income in the profit and loss account.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

7 Use of Estimates:

The preparation of the financial statements in conformity with Generally Accepted Accounting Principles requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and the reported amounts of income and expenses during the year. Examples of such estimates include provisions for doubtful debts, income taxes, post - sales customer support and the useful lives of Property, Plant and Equipments and intangible assets.

8 Inventories:

Inventory of raw materials, consumables/ spares and loose tools are valued at lower of cost and net realisable value. The cost is calculated at purchase price and expenditure directly attributable to the acquisition of such inventories for bringing them to their present location.

Work in Progress— Work-in-Progress includes construction work in progress and unsold portion of completed Real Estate Projects. Increase / decrease in Work-in-Progress is accounted for as Income or Expenditure for the year, as the case may be. Valuation of Work-in-Progress including unsold portion of reality project is being done on basis of actual cost and overheads incurred which are directly attributable to project, till completion or net realizable value whichever is less.

9 Trade Receivables:

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

10 Foreign Currency Transactions:

Domestic Operation:

I . Initial Recognition :

A foreign currency transactions are recorded, on initial recognition in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

II . Measurement :

Foreign currency monetary items are reported using the closing rate.

Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

III . Treatment of Foreign Exchange :

Exchange differences arising on settlement/ restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expenses in the Statement of Profit and Loss.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

11 Employee Benefits:

A. Post-Employment Benefits:

Defined Benefit Plan:

Gratuity liability is a defined benefit obligation and is unfunded. The Company accounts for liability for future gratuity benefits based on the actuarial valuation using Projected Unit Credit Method carried out as at the end of each financial year.

Defined Contribution Plan:

Provident Fund: Eligible employees receive benefit from provident fund covered under the Provident Fund Act. Both the employee and the company make monthly contributions. The employer contribution is charged off to Profit & Loss Account as an expense.

12 Taxes on Income:

Income Tax expense is accounted for in accordance with AS-22 "Accounting for Taxes on Income" for both Current Tax and Deferred Tax stated below:

A. Current Tax:

Provision for current tax is made in accordance with the provisions of the Income Tax Act, 1961.

B. Deferred Tax:

Deferred tax is recognised, subject to the consideration of prudence, as the tax effect of timing difference between the taxable income and accounting income computed for the current accounting year using the tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax assets are recognised and carried forward to the extent that there is a reasonable certainty, except arising from unabsorbed depreciation and carried forward losses, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

13 Provisions and Contingent Liabilities:

A provision is recognised if, as a result of past event, the Company has a present legal obligation that can be estimated reliably and it is probable that an outflow of economic benefit will be required to settle the obligation. Provisions are determined by the best estimate of outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is possible obligation or present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

14 Earnings Per Share:

Basic Earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value which is the average market value of the outstanding shares. Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

15 Cash and Cash Equivalents:

Cash and cash equivalents comprise cash and cash deposits with banks. The Company considers all highly liquid investments with a original maturity at a date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

16 Cash Flow Statement:

Cash flows are reported using indirect method, whereby net profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

17 Investments:

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless stated)

Note: 3 Share Capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number	Amount	Number	Amount
a) Number and amount of equity shares Authorised #	25,000,000	2,500.00	5,000,000	500.00
b) (i) Number and amount of equity shares Issued, Subscribed and Paid-Up	24,979,200	2,497.92	4,800,000	480.00
(ii) Number and amount of equity shares Subscribed but not fully Paid-Up	-	-	-	-
Total b (i) + b (ii)		2,497.92		480.00
c) Par value per Equity share (in ₹ each)	10		10	

Authorised capital was increased from 50,00,000 equity shares to 2,50,00,000 equity shares vide members resolution and approval on 30-09-2023.

(In Nos.)

Particulars	As at March 31, 2024	As at March 31, 2023
Shares outstanding at the beginning of the year	4,800,000	4,800,000
Shares issued during the year	-	-
Bonus shares issued during the year *	13,200,000	-
Fresh issue of equity shares **	6,979,200	-
Shares outstanding at the end of the year	24,979,200	4,800,000

Note:

* The Company issued the Bonus shares for the existig shareholders in the ratio of 11 shares for every 4 shares held vide special resolution passed at EGM dated 20th October 2023.

** The company has raised money through Initial Public Offer ("IPO") and has got listed on NSE-SME Platform by way of fresh issue of 69,79,200 fully paid up equity shares of face value of Rs.10 each at a premium of Rs.65 each.

d) The rights, preferences and restrictions attaching to each class of shares:

The Company has only one class of shares and all shareholder have equal rights and there are no restriction and preferences attached to any shareholders including the right to receive dividend and repayment of Capital.

e) Shares in respect of each class in the company held by its holding company or its ultimate holding company including shares held by subsidiaries or associates of the holding company or the ultimate holding company in aggregate

f) **Details of shareholders holding more than 5% of shares:**

(In Nos.)

Name of the Shareholder	As at March 31, 2024		As at March 31, 2023	
	Number of Shares held	% of Holding	Number of Shares held	% of Holding
D. Prasanna	8,362,493	33.48%	2,229,998	46.46%
B. Venkateswarulu	5,700,000	22.82%	1,520,000	31.67%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

g) Shareholding of Promoters

(In Nos.)

Promoter Name	No. of Shares at the end of the year	No. of Shares at the beginning of the year
D. Prasanna	8,362,493	2,229,998
B. Venkateswarulu	5,700,000	1,520,000
D. Vasanth	375,000	100,000
D. Bhagyavathy	187,500	50,000
Total	14,624,993	3,899,998

Note: 4 Reserves and Surplus

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Securities Premium		
Opening Balance	-	-
Add : Premium on fresh issue on IPO	4,536.48	-
Less : Issue expenses	(252.87)	-
Closing Balance	4,283.61	-
(b) General/ Free Reserves		
Opening Balance	1,400.00	-
Add: Additions during the year	-	1,400.00
Less: Bonus shares issued *	(1,320.00)	-
Closing Balance	80.00	1,400.00
(c) Surplus		
Opening Balance	616.14	566.65
Add: Profit / (Loss) transfer from the current year	1,866.67	1,151.78
Less: Prior Period Error Adjusted (refer Note below)**	53.51	297.71
Less: Transferred to General Reserves	-	(1,400.00)
Closing Balance	2,536.32	616.14
Total	6,899.94	2,016.14

* The issue of Bonus Shares has been funded from the Surplus profits of earlier years which were transferred to General/ Free Reserves.

** Adjustments in Reserves due to variation in calculation of Depreciation and Non Provision of Gratuity and Deferred Tax

Particulars	As at March 31, 2024	As at March 31, 2023
Adjustments in Reserves due to adjustments in depreciation calculation #	89.92	420.52
Adjustments in Reserves due to adjustments in deferred tax calculation	(27.07)	(117.59)
Adjustments in Reserves due to Non Provision of gratuity	(3.39)	(5.22)
Adjustments in Reserves due to Minority Interest	(5.95)	-
Total	53.51	297.71

Note : As per companies act 2013 depreciation should be based on useful life method however till the previous financial year 2021-22 the method of depreciation followed was written down value method. In order to comply with the provisions relating to calculation of depreciation as per useful life method, the depreciation has been recalculated as per useful life method and the variations are adjusted in the reserves.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

Note: 5 MINORITY INTEREST

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Minority Interest		
Other Partner's Share of capital in Firm	232.03	337.26
Add: Share of Profit to Other Partners	16.01	3.36
Less: Transfer	-	-
Total	248.04	340.62

Note: 6 Long-Term Borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
Secured		
i. From banks	1,092.67	1,208.33
ii. From other Financial Institutions	2.35	148.56
Unsecured		
i) From Directors	1,414.52	1,525.21
Total	2,509.54	2,882.10

Note: 7 Deferred Tax Liabilities (Net)

Particulars	As at March 31, 2024	As at March 31, 2023
On account of Depreciation	101.38	37.26
Total	101.38	37.26

Note: 8 Long-Term Provisions

Particulars	As at March 31, 2024	As at March 31, 2023
a) Provision for Gratuity	12.54	9.15
Total	12.54	9.15

Note: 9 Short-Term Borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
Secured		
a) From Banks	2,816.63	2,271.29
b) Other Financial Institutions	863.07	16.19
c) Current Maturities of Long-term borrowings - From Banks	129.26	658.42
d) Current Maturities of Long-term borrowings - Other Financial Institution	-	221.72

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured		
a) From other body corporates	211.39	679.59
Total	4,020.35	3,847.21

Note: 10 Trade Payables

Particulars	As at March 31, 2024	As at March 31, 2023
(A) Total Outstanding Dues of Micro Enterprises and Small Enterprises; and	146.43	1,678.23
(B) Total Outstanding Dues of Creditors Other than Micro Enterprises and Small Enterprises	4,420.64	2,542.85
Total	4,567.07	4,221.08

Ageing Schedule

a) Trade Payables ageing schedule for the period ended March 31, 2024

Particulars	Outstanding for following periods			Total
	0 - 1 year	1 - 2 Years	More than 2 Years	
(i) MSME	146.43	-	-	146.43
(ii) Others	4,327.34	60.99	32.31	4,420.64
Total	4,473.77	60.99	32.31	4,567.07

b) Trade Payables ageing schedule for the period ended March 31, 2023

Particulars	Outstanding for following periods			Total
	0 - 1 year	1 - 2 Years	More than 2 Years	
(i) MSME	1,623.61	0.13	54.50	1,678.23
(ii) Others	2,477.01	49.27	16.57	2,542.85
Total	4,100.62	49.40	71.07	4,221.08

Dues of Micro Enterprises and Small Enterprises

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Dues remaining unpaid to any supplier at the end of each accounting year		
- Principal	134.47	1,678.23
- Interest on the above	11.96	-
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

Particulars	As at March 31, 2024	As at March 31, 2023
(c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(d) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Note : Based on the information available with the Company, there are no dues to Small and Micro enterprises as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006. The information regarding Micro and Small enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

Note: 11 Other Current Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
a) ESI Payable	0.03	0.03
b) TDS Payable	34.38	48.74
c) TCS Payable	0.12	0.63
d) PF Payable	1.24	0.17
e) GST Payable	408.37	12.19
f) Salary Payable	46.84	45.85
g) Audit Fees Payable	9.85	7.65
h) Mobilisation of Advance Received From Clients	0.83	255.08
i) Other Current Liabilities	11.11	2.17
Total	512.77	372.51

Note: 12 Short-Term Provisions

Particulars	As at March 31, 2024	As at March 31, 2023
a) Provision for Tax	640.46	374.95
b) Provision for Gratuity	4.25	-
Total	644.71	374.95

Note: 13 (i) Property, Plant & Equipment

(All amounts are in ₹ unless stated)

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	April 1, 2023	Additions for the year	Deletions for the year	March 31, 2024	April 1, 2023 *	Depreciation for the year	Depreciation on deletion	Assets Write off	March 31, 2024	March 31, 2024
Computer & Accessories	26.61	5.52	-	32.14	12.49	8.38	-	0.43	21.31	10.83
Furniture & Fittings	5.15	-	-	5.15	1.55	0.62	-	0.09	2.26	2.89

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	April 1, 2023	Additions for the year	Deletions for the year	March 31, 2024	April 1, 2023 *	Depreciation for the year	Depreciation on deletion	Assets Write off	March 31, 2024	March 31, 2024
Plant & Machinery	1,730.48	14.91	85.21	1,660.18	311.25	130.25	5.72	0.33	436.11	1,224.07
Vehicles	1,716.30	616.13	-	2,332.43	326.22	198.52	-	-	524.74	1,807.69
Land & Buildings	11.84	-	-	11.84	0.16	0.16	-	-	0.32	11.52
Total	3,490.38	636.57	85.21	4,041.74	651.67	337.94	5.72	0.85	984.74	3,057.00

*To comply with the requirements of Companies Act 2013, with respect to the schedule II of fixed assets, restatement based on useful life of the assets which is only change in estimate Prior period adjustment for reinstating depreciation is adjusted with opening written value.

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	April 1, 2022	Additions for the year	Deletions for the year	March 31, 2023	April 1, 2022	Depreciation for the Year	Depreciation on deletion	March 31, 2023	March 31, 2023	
Computer & Accessories	22.28	4.33	-	26.61	4.82	8.12	-	12.94	13.68	
Furniture & Fittings	4.39	0.76	-	5.15	0.93	0.65	-	1.58	3.58	
Plant & Machinery	1,235.32	495.16	-	1,730.48	185.12	214.62	-	399.73	1,330.75	
Vehicles	1,394.34	557.37	235.42	1,716.30	248.32	155.75	77.84	326.22	1,390.08	
Land & Building	11.84	-	-	11.84	-	1.03	-	1.03	10.81	
Total	2,668.18	1,057.62	235.42	3,490.38	439.18	380.16	77.84	741.49	2,748.89	

Note: 14 Other Non-Current Assets

Particulars	As at March 31, 2024	As at March 31, 2023
a) Deposits - Earnest Money Deposit (EMD)	249.73	477.79
b) Other Deposits	316.20	85.97
Total	565.93	563.76

Note: 15 Inventories

Particulars	As at March 31, 2024	As at March 31, 2023
Work in Progress	6,342.68	5,352.98
Closing Stock	1,995.76	1,992.15
Total	8,338.44	7,345.13

Note: 16 Trade Receivables

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables	6,402.77	1,070.79
Total Trade Receivables	6,402.77	1,070.79

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

Ageing Schedule

I. Trade Receivables ageing schedule for the year ended March 31, 2024

Particulars	Outstanding for following periods from due date of payment				Total
	< 6 Months	6 Months - 1 Year	1 - 2 Years	More than 2 Years	
(i) Undisputed Trade Receivables - Considered good	5,649.83	299.76	329.55	123.63	6,402.77
Total:	5,649.83	299.76	329.55	123.63	6,402.77

II. Trade Receivables ageing schedule for the year ended March 31, 2023

Particulars	Outstanding for following periods from due date of payment				Total
	< 6 Months	6 Months - 1 Year	1 - 2 Years	More than 2 Years	
(i) Undisputed Trade Receivables - Considered good	533.21	264.75	147.75	125.08	1,070.79
Total:	533.21	264.75	147.75	125.08	1,070.79

Note: 17 Cash and Cash Equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
i) Balance with banks	1,466.20	324.35
ii) Cash in hand	71.54	562.34
Total	1,537.74	886.68

Note: 18 Short-Term Loans and Advances

Particulars	As at March 31, 2024	As at March 31, 2023
A. Unsecured, Considered good		
a) Other Advances given to suppliers & Contractors	1,515.06	1,352.99
b) Rental Advances/Deposits	17.03	32.01
c) Advance For Site Expenses	1.54	2.74
d) Staff Loans and Advance	2.90	0.26
Total	1,536.53	1,388.00

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

Note: 19 Other Current Assets

Particulars	As at	
	March 31, 2024	March 31, 2023
Other Deposits	-	
TDS Receivables	307.54	256.03
GST TDS Receivable	2.90	14.20
Pre-paid Expenses	50.99	17.78
Balances with Government Authorities	18.64	84.95
Other Current Assets	195.75	204.80
Total	575.83	577.76

Note: 20 Revenue From Operations

Particulars	For the year ended March 31,	
	2024	2023
Sale of services:		
Contract Receipts - Works Contract	15,100.24	10,633.56
Sales of Products	1,584.06	2,132.66
Less: Mutual Owings	(597.51)	(1,268.14)
Total	16,086.79	11,498.08

Note: 21 Other Income

Particulars	For the year ended March 31,	
	2024	2023
Interest Income	27.49	21.89
Price Escalation	14.07	-
Other Income	27.28	30.12
Total	68.84	52.00

Note: 22 Purchases

Particulars	For the year ended March 31,	
	2024	2023
Purchases of Raw Materials	10,119.10	9,849.42
Less: Mutual Owings	(597.51)	(1,268.14)
Total	9,521.59	8,581.27

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

Note: 23 Changes in Inventories

Particulars	For the year ended March 31,	
	2024	2023
Opening Stock of Raw Materials and Work in Progress	7,345.13	3,460.14
Closing Stock of Raw Materials and Work in Progress	(8,338.44)	(7,345.13)
Total	(993.31)	(3,884.99)

Note: 24 Other Direct Expenses

Particulars	For the year ended March 31,	
	2024	2023
Electricity Charges	12.78	44.44
Machinery Rent	374.41	392.45
Freight & Transport Expense	332.82	674.81
Security Charges	22.97	28.21
Plant Maintenance	29.75	14.92
Vehicle Maintenance & Insurance	371.80	282.11
Wages And Sub Contract Payments	900.50	1,194.48
Water Expense	18.74	13.52
Power and Fuel	875.90	1,091.38
Site Expenses	26.77	39.22
Total	2,966.44	3,775.54

Note: 25 Employee Benefits Expenses

Particulars	For the year ended March 31,	
	2024	2023
Salaries & Wages	536.71	358.45
Director's Remuneration	184.60	50.00
Employee Gratuity	4.25	3.94
Staff Welfare	82.33	95.38
Total	807.89	507.77

Note: 26 Finance Costs

Particulars	For the year ended March 31,	
	2024	2023
Interest & Finance charges	621.63	410.74
Bank Charges	54.20	28.07
Others	34.24	-
Total	710.07	438.82

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

Note: 27 Depreciation & Amortisation Expenses

Particulars	For the year ended March 31,	
	2024	2023
Depreciation on Tangible Assets	337.94	380.16
Total	337.94	380.16

Note: 28 Other Expenses

Particulars	For the year ended March 31,	
	2024	2023
Office Rent	55.53	62.24
Travelling Expense	16.66	25.08
Telephone & Internet Charges	1.69	2.13
Advertisement	9.71	9.28
Other Expenses	49.91	78.45
Office Electricity Charges	8.98	5.65
Professional & Consulting fee	40.20	6.80
Audit Fees	11.50	8.50
Repairs & maintenance	8.12	14.37
Printing and Stationery	6.92	11.28
Rates and Taxes	39.92	4.84
Total	249.14	228.61

Note: 29 Earnings per equity share: (In ₹ Per share)

Particulars	For the year ended March 31,	
	2024	2023
Profit after tax for the year attributable to equity (A)	1,866.67	1,151.78
Basic & Diluted		
Outstanding Number of Equity Shares before Bonus issue (Nos. in Lakhs) (B)	48.00	48.00
"Outstanding Number of Equity Shares before IPO or Post Bonus Issue (Nos. in Lakhs) (C)"	180.00	48.00
Outstanding Number of Equity Shares at the end of the year (Nos. in Lakhs) (D)	249.79	48.00
"Weighted Average Number of Equity Shares at the end of the year (Nos. in Lakhs) (E)"	182.10	48.00
Earnings Per Share		
Pre Bonus Issue (Outstanding no. of shares at the beginning of the year) (A/B)		
Basic EPS (in ₹)	38.89	24.00
Diluted EPS (in ₹)	38.89	24.00
Pre IPO & Post Bonus Issue (A/C)		
Basic EPS (in ₹)	10.37	24.00
Diluted EPS (in ₹)	10.37	24.00

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

Particulars	For the year ended March 31,	
	2024	2023
Post IPO (Outstanding no. of shares at the end of the year) (A/D)		
Basic EPS (in ₹)	7.47	24.00
Diluted EPS (in ₹)	7.47	24.00
Post IPO (Weighted average no. of shares) (A/E)		
Basic EPS (in ₹)	10.25	24.00
Diluted EPS (in ₹)	10.25	24.00

30. Other Notes to Accounts

1 Contingent Liabilities and Commitments (to the extent not provided for):

A. Contingent Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Claims against the company not acknowledged as debt	Nil	Nil
Bank Guarantees - Related to performance guarantee in various contracts	Nil	Nil
Other money for which the company may be contingently liable*	Nil	Nil
Total	Nil	Nil

B. Commitments

Particulars	As at March 31, 2024	As at March 31, 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for	Nil	Nil
Uncalled liability on shares and other investments partly paid	Nil	Nil
Other commitments	Nil	Nil
Total	Nil	Nil

* Note :

In the construction business, the contractor shall be responsible to make good at their own cost for any defects arise out of faulty workmanship or quality related issues in delivering the accepted quality which may develop post a certain period after completion of works. This period is called defect liability period, and it may vary from contract to contract and in usual terms it is for a period 3 years to 5 years from completion of work. During this defect liability period there exists a contingency on part of the company to incur any additional cost that may arise in making good for any defects or issues that may arise. This contingent liability is inherent in nature for this business and cannot be quantified at inception or as the work progresses.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

2 Utilisation of proceeds raised by way of Initial Public Offer (IPO):

(All amounts are in ₹ lakhs)

S No	Objective of the Issue	Amount Alloted for the object	Amount Utilised till March 31,2024	Amount Unutilised till March 31,2024	Deviation (if Any)
1	Capital Expenditure	1,500.00	-	1,500.00	NA
2	Working Capital Expenditure	3,000.00	2,973.85	26.15	NA
3	General Corporate Purpose	484.00	484.40	-	NA
4	Issue Expenses	250.00	250.00	-	NA

3 Proposed Dividend Details:

The Company has not declared dividend during the period under review.

4 No issue of securities were made for any specific purpose by the Company during the reporting year.

5 The Company has not made borrowings from banks and financial institutions for any specific purposes during the year.

6 The assets other than Property, Plant and Equipment, Intangible Assets and non-current investments have value on realization in the ordinary course of business equal to the amount at which they are stated.

7 Details of Benami Property Held:

There are no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988).

8 The Company has made borrowings from the banks on the basis of security of current assets, and the statements of current assets as required to be filed by the Company with any the banks or financial institutions are done periodically.

9 Wilful Defaulter:

The company is not declared as wilful defaulter by any bank or financial institution or other lender.

10 Relationship with Struck off Companies:

The Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013.

11 Registration of Charges or Satisfaction with Registrar of Companies:

The Company has no charge which is yet to be registered with Registrar of Companies beyond the statutory period .

12 Compliance with Number of Layers of Companies:

The Company has no subsidiaries hence layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 are not applicable, however the company has invested in a registered partnership firm AVP RMC.

13 Compliance with Approved Scheme(s) of Arrangements:

No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

14 Utilisation of Borrowed Funds and Share Premium:

A. The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

(i) 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

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

B. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall

(i) 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

(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

15 Payment to the Auditor:

(All amounts are in ₹ lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Statutory Audit	8.85	7.00
Tax Audit	1.00	1.50
Other Matters	-	-
Total	9.85	8.50

16 Corporate Social Responsibility:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Details of corporate social responsibility expenditure		
(i) Amount required to be spent by the group during the year	14.23	-
(ii) Amount spent during the year	14.25	-
(iii) Shortfall at the year end	-	-
(iv) Total of previous year shortfall	-	-
(v) Reason for shortfall	-	-
(vi) Nature of CSR Activities	For upliftment of underprivileged communities by focusing on areas such as education, healthcare, skill development, and infrastructure improvement.	
Total	-	-

17 No amounts have been set aside or proposed to be set aside to reserve to meet any specific liability, contingency or commitment known to exit at the date as at which balance sheet made up.

18 In the case of all Concerns Having Capital Work in Progress:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Capital Works in Progress	-	-
Total	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

19 Foreign Currency Earned and Expended:

Particulars	For the year ended	For the year ended
	March 31, 2024	March 31, 2023
Export of Goods & Services	-	-
Total	-	-

20 Undisclosed Income:

There are no transactions that were not recorded in the books of account, and which has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

There is no previously unrecorded income and related assets have been recorded in the books of account during the year.

21 Details of Crypto Currency or Virtual Currency:

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

22 Dues to Micro, Small and Medium Enterprise (MSME):

The dues towards micro, small and medium enterprises have been disclosed in the scheduled to balance sheet.

23 Disclosure of related parties/related party transactions pursuant to Accounting Standard (AS) - 18 "Related Party Disclosures":

S. No	Name of the Party	Nature of RP	Relationship
1	B.Venkateswarulu	Key Managerial Personnel	Joint Managing Director
2	D.Prasanna	Key Managerial Personnel	Managing Director
3	D.Vasanth	Key Managerial Personnel	Whole Time Director
4	AVP Associates	Partnership Firm	Directors having Significant Control

(All amounts are in ₹.lakhs)

Particulars	For the Year Ended 31-March-2024	For the Year Ended 31-March-2023
Outstanding as on 31st		
Receivable from		
AVP Associates	23.75	23.75
Total	23.75	23.75
Key management Personal		
Remuneration Paid to		
Dhandayuthapani Prasanna	66.50	25.00
Bollam Venkateshwarlu	72.50	25.00
Dhandayuthapani Vasanth	40.40	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

Particulars	For the Year Ended 31-March-2024	For the Year Ended 31-March-2023
Total	179.40	50.00
Loans from Director		
Dhandayuthapani Prasanna	1,294.81	1,400.48
Bollam Venkateshwarlu	108.09	124.73
Dhandayuthapani Vasanth	11.62	-
Total	1,414.52	1,525.21

24 Income Taxes:

I. Minimum Alternate Tax

The Company has not opted for special rate of tax of the Income Tax Act, 1961. Hence, MAT asset is not recognised.

II. Current Tax

(All amounts are in ₹. lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current Tax	638.53	374.95
Add: Tax Adjustment for earlier years	-	-
Net Current Tax	638.53	374.95

25 Exchange Difference:

(All amounts are in ₹. lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Exchange Difference Gain/(Loss)	-	-
Total	-	-

26 Employee Benefit (Incurred in India):

Gratuity - The Present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method. This method considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

Interest Cost: It is the increase in the Plan liability over the accounting period resulting from the operation of the actuarial assumption of the interest rate.

Current Service Cost: It is the discounted present value of the benefits from the Plan's benefit formula attributable to the services rendered by employees during the accounting period.

Actuarial Gain or Loss: It occurs when the experience of the Plan differs from that anticipated from the actuarial assumptions. It could also occur due to changes made in the actuarial assumptions.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

(i) Reconciliation of Opening and Closing Balance of Gratuity Obligations:

(All amounts are in ₹ lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Net Liability as at the Beginning of the Period	12.54	5.22
Net Expenses in P/L A/c	4.25	7.32
Benefits Paid	-	-
Net Liability as at the End of the Period	16.79	12.54
Present Value of Gratuity Obligation (Closing)	16.79	12.54

(ii) Expenses Recognised in Statement of Profit and Loss during the Year:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest Cost	0.95	0.39
Current Service Cost	5.24	6.90
Past Service Cost	-	-
Expected Return on Plan Assets	-	-
Curtailement Cost (Credit)	-	-
Settlement Cost (Credit)	-	-
Net Actuarial (gain) / loss	(1.94)	0.03
Net Expenses to be Recognized in P&L	4.25	7.32
Total	4.25	7.32

(iii) Changes in Benefit Obligations:

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Defined benefit Obligation	12.54	5.22
Current service Cost	5.24	6.90
Interest Cost for the Year	0.95	0.39
Actuarial Losses (gains)	(1.94)	0.03
Benefits Paid	-	-
Closing Defined benefit Obligation	16.79	12.54
Total	16.79	12.54

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

Actuarial Assumptions:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Rate of Discounting	7.22%	7.55%
Salary Escalation	7.00%	7.00%
Attrition Rate	10.00%	10.00%
Mortality rate during employment Indian	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

27 Cash Flow Statement:

- (1) The amount of significant cash and cash equivalent balances held by the enterprise as at March 31, 2024 was Rs.1,537.74 Lakhs that are available for use by Company.
- (2) The Company has appropriate amount of Cash Flows that are required to maintain operating capacity.
- (3) Company is investing adequately in the maintenance of its operating capacity.

Additional Disclosures:

(All amounts are in ₹ lakhs)

I. Components of Cash and Cash Equivalents:	For the year ended March 31, 2024	For the year ended March 31, 2023
Cash on Hand	1,466.20	324.35
Balance with Banks	71.54	562.34
Total Components of Cash and Cash Equivalents	1,537.74	886.68

28 Changes in Accounting Estimates:

There are no changes in Accounting Estimates made by the Company for the period ended 31st March 2024.

29 Changes in Accounting Policies:

There are no changes in Accounting Policy made by the Company for the period ended 31st March 2024.

30 Disclosures on Property, Plant and Equipment and Intangible Assets:

I. Property, Plant and Equipment

- (1) There is no restriction on the title of Property, Plant and Equipment, subject to only those which are under hypothecation/ charge.
- (2) Company has no contractual commitments for the acquisition of Property, Plant & Equipment.
- (3) Company has no Impairment loss during the period for Property, Plant & Equipment.
- (4) Assets are periodically checked for active usage and those which are retired are written off.
- (5) There are no temporarily idle property, plant and equipment.
- (6) Intangible asset is amortised as per Schedule II.
- (7) The carrying amount and remaining amortization period of any individual intangible asset are not material to the financial statements of the enterprise as a whole.
- (8) There are no amounts of intangible assets whose title is restricted and the carrying amounts of intangible assets pledged as security for liabilities.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

31 Investments:

I. Profits and Losses with Regard to Investments have been Disclosed as under:

- Profits and losses on disposal of current investments
- Profits and losses on changes in the carrying amount of current investments
- Profits and losses on disposal of long-term investments
- Profits and losses on changes in the carrying amount of long-term investments

32 Segment Reporting:

The Company has considered the business segment as the primary reporting segment. The business segment have been identified on the basis of the nature of products and services, the risks and returns, internal organisation and management structure and the internal performance reporting systems. The business segment comprises of construction and transacts the business to construct, build, alter, acquire, convert, improve, design, erect, establish, equip, develop, dismantle, pull down, level, decorate, fabricate, reconstruct, renovate, remodel, rebuild all types of infrastructure developmental works and constructions works.

33 Earnings Per Share:

(All amounts are in ₹ lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
1. Profit attributable to equity shareholders before extraordinary items (A)	1,866.67	1,151.78
2. Profit attributable to equity shareholders after extraordinary items (B)	1,866.67	1,151.78
3. Number of equity shares outstanding during the year (C) (Nos.in lakhs)	249.79	48.00
4. Weighted average number of equity shares outstanding during the year (D) (Nos. in lakhs)	182.10	48.00
5. Effect of potential equity shares on employee stock options outstanding	-	-
6. Effect of any other items of potential Equity Shares eg.Convertible Debentures, Convertible Preference Shares	-	-
7. Weighted average number of potential equity shares outstanding during the year for the purpose of computing Diluted Earnings Per Share (E) (Nos.in lakhs)	182.10	48.00
8. Basic earnings per share based on shares outstanding at the year end, of face value of ₹ 10 (A/C)	7.47	24.00
9. Diluted earnings per share based on shares outstanding at the year end, of face value of ₹ 10 (B/C)	7.47	24.00
10. Basic earnings per share before extraordinary items of face value of ₹ 10 (A/D)	10.25	24.00
11. Basic earnings per share after extraordinary items of face value of ₹ 10 (B/D)	10.25	24.00
12. Diluted earnings per share before extraordinary items of face value of ₹ 10 (A/E)	10.25	24.00
13. Diluted earnings per share after extraordinary items of face value of ₹ 10 (B/E)	10.25	24.00

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

34 Balance shown under head Sundry debtors, creditors and advances are subject to confirmation.

35 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with current year's classification.

As per our Report on even date
For P P N AND COMPANY
Chartered Accountants

Firm Reg No: 013623S
Peer Review Certificate No. 013578

R.RAJARAM
Partner
Membership No: 238452
UDIN No: 24238452BKAGLJ2731

For and on behalf of the Board of Directors of
AVP INFRACON LIMITED
(formerly known as AVP Infracon Private Limited & AVP Constructions Private Limited)

D. PRASANNA
Managing Director
DIN: 02720759

B. VENKATESHWARALU
Joint Managing Director cum Chief Financial Officer
DIN: 02720729

PRIYANKA SINGH
Company Secretary cum Compliance Officer
M. No.62187

Place: Chennai
Date: 29-05-2024



E30, Second Floor, Second Avenue,
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