



LIKHITHA INFRASTRUCTURE LIMITED

CIN : U45200TG1998PLC029911

Date: Saturday, August 14, 2021

To
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai-400 001
Scrip Code: 543240

To
National Stock Exchange of India Limited,
Exchange Plaza, Plot No. C/1, G Block,
Bandra Kurla Complex, Bandra (E)
Mumbai-400 051
Scrip Symbol: LIKHITHA

Sub: Submission of Annual Report for the Financial Year 2020-21 along with the Notice of AGM.

Dear Sir/Madam,

We hereby inform you that the 22nd Annual General Meeting ("AGM") of the members of the Company will be held on **Saturday, September 04, 2021, at 10.30. A.M. (IST)** through Video Conferencing ("VC")/Other Audio- Visual means ("OAVM"), in accordance with the relevant circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India (SEBI).

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith the Annual Report for the financial year 2020-21 (including Notice of the AGM and Business Responsibility Report)

We further inform you that the 22nd Annual Report (including Notice of the AGM) has been sent, through email to the members on August 13, 2021.

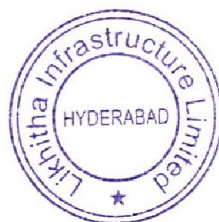
The Annual Report including Notice is also uploaded on the Company's website and can be accessed at <http://www.likhitha.co.in/investors.html> .

Kindly take the above information on record.

Thanking you,

for Likhitha Infrastructure Limited

Santhosh Kumar Gunemoni
Company Secretary and Compliance Officer
M. No. A60103





Better
Prospects

**BALANCED
GROWTH**

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For further details log on to
www.likhitha.co.in



To know more
about the
company scan
the QR Code

Forward - looking statements

Some information in this report may contain forward - looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward - looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward - looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward - looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.



Striking the right balance between technical expertise and business efficiency, we are building capabilities to secure a firm foot in a dynamic business arena. Over the years, we have emerged as a trusted partner for building Oil & Gas pipeline infrastructure and related facilities for leading players in the Oil & Gas industry.

With timely execution, robust solutions and an extensive presence across the country, we have consistently met diverse client requirements. Calibrating our effective business model, we are taking strategic steps to boost our operational efficacy and enhance the scalability of our operations. As we continue to uncover better opportunities, we remain focused on delivering sustainable financial performances, ensure excellence and deliver balanced growth.

About Us

Incorporated in 1998, Likhitha Infrastructure Limited is a uniquely placed Oil & Gas pipeline infrastructure service provider in India, focused on laying pipeline infrastructure along with, the construction of associated facilities. Our operations include Cross Country pipelines and associated facilities, City Gas Distribution including CNG stations, and Operation & Maintenance of CNG/PNG services.

Our company provides the best services in the Oil & Gas transmission sector with great impetus being given to high standards of quality and prompt delivery of our services. Our promoter, Mr. Gaddipati Srinivasa Rao, a technocrat with over three decades of vast technical experience in this field, is the guiding force behind the successful execution of our business strategies.

20+ Years

Experience in industry

1000+ KMS

of pipeline built successfully

Experienced

Top management

Strong Technical Qualification

to bid successfully in new projects





Our Vision:

To provide services with:

- Highest levels of workmanship and exemplary speed by continuously enhancing organizational skill through innovation and teamwork
- Highest quality of work along with adherence to the international standards of Health, Safety & Environment
- Highest levels of professionalism, integrity, honesty, and fairness in our relationship with our stakeholders and employees
- Remarkable planning & optimization of resources in the pursuit of excellence.



Our Mission:

To be the best in the field of Oil & Gas Pipeline infrastructure, engineering & services company.

Key highlights of FY2020-21

₹ **19,293.71**
(in lakhs)

Total Income

₹ **3,837.35**
(in lakhs)

Profit Before Tax

₹ **2,898.97**
(in lakhs)

Net Profit

₹ **17.05**
Earnings per share - Basic & Diluted
(Face Value of ₹ 10/- each)

₹ **81.04**
(in lakhs)

Net Cash from Operating Activities

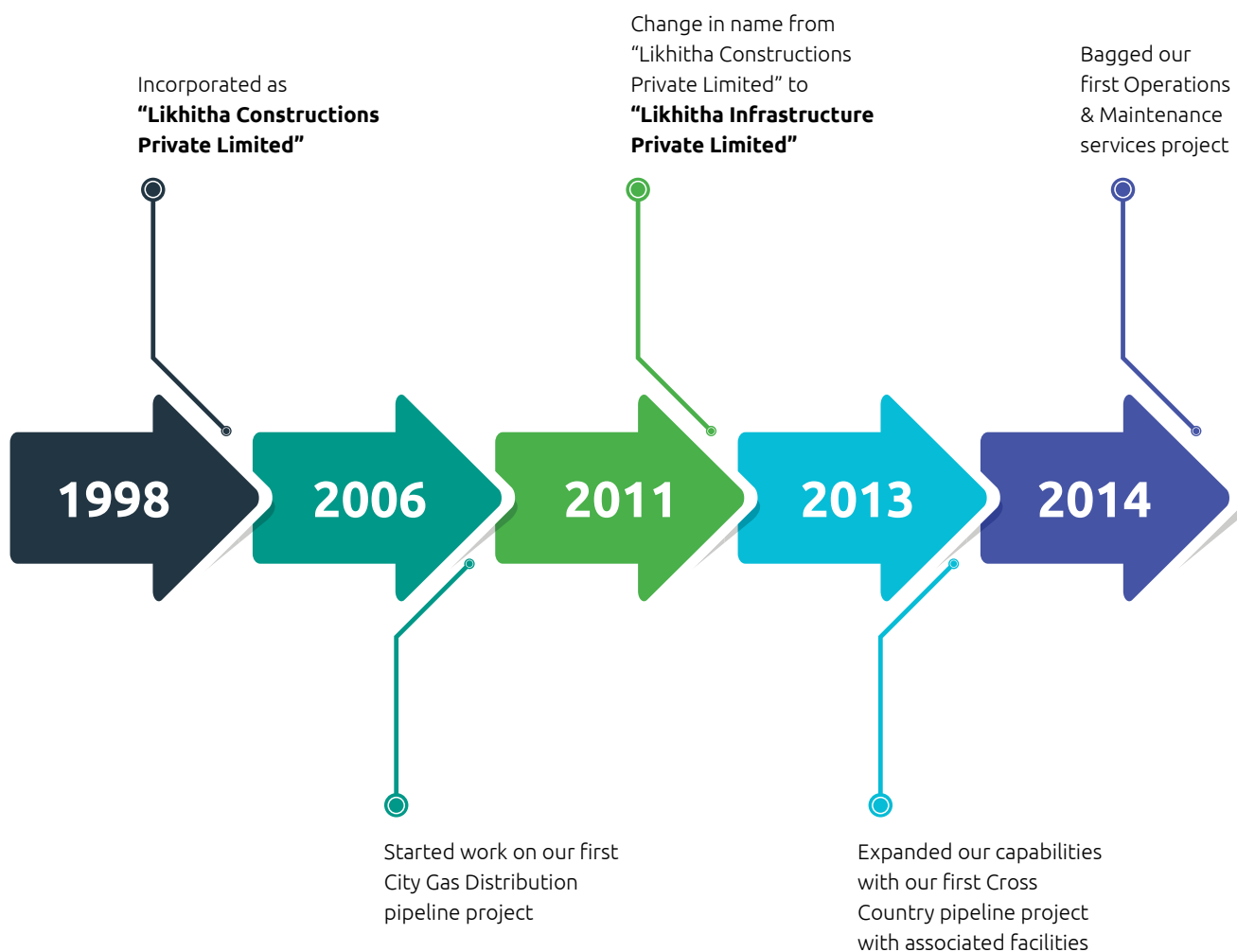
₹ **5,039.21**
(in lakhs)

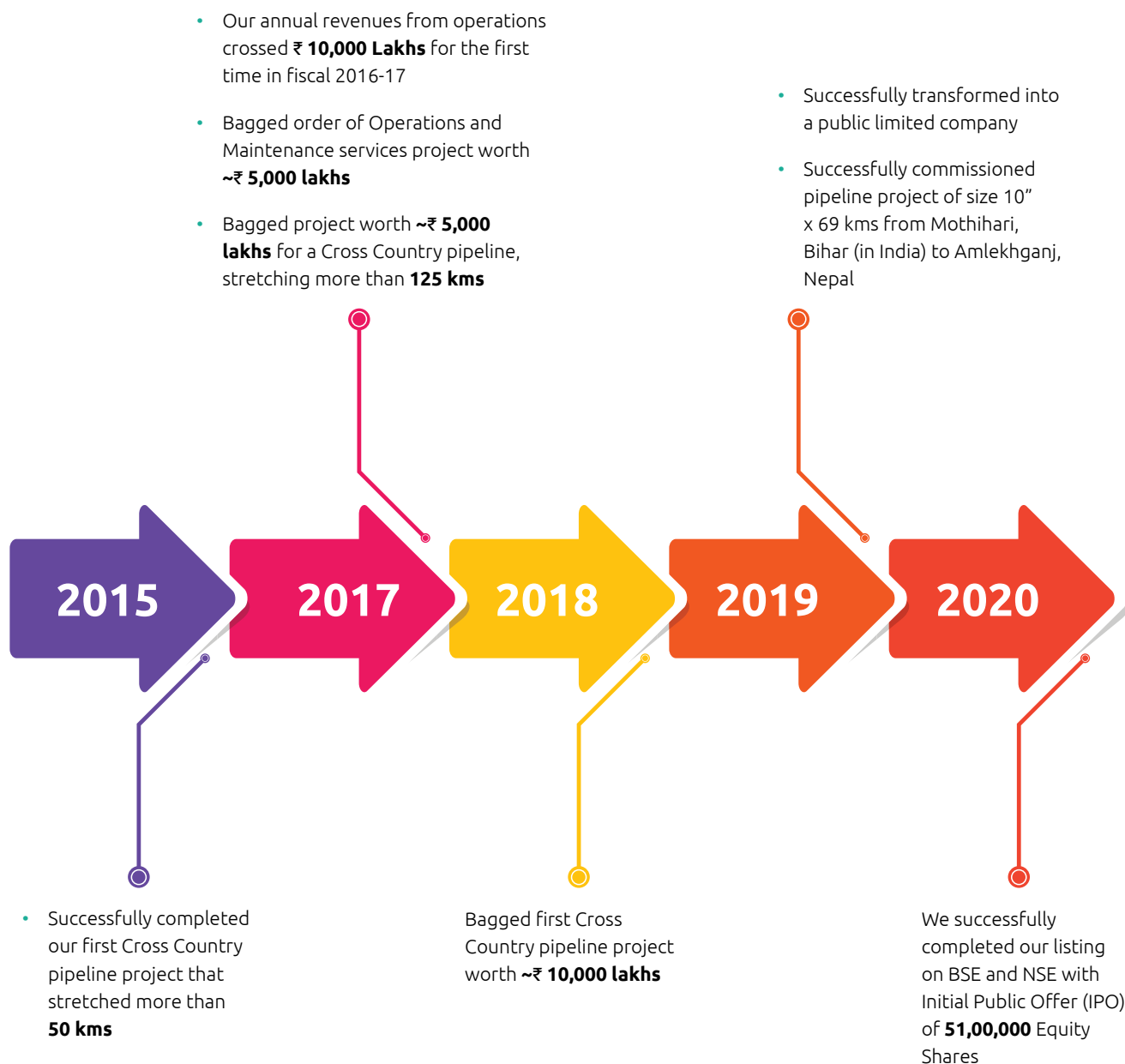
Net Cash used for Investing Activities



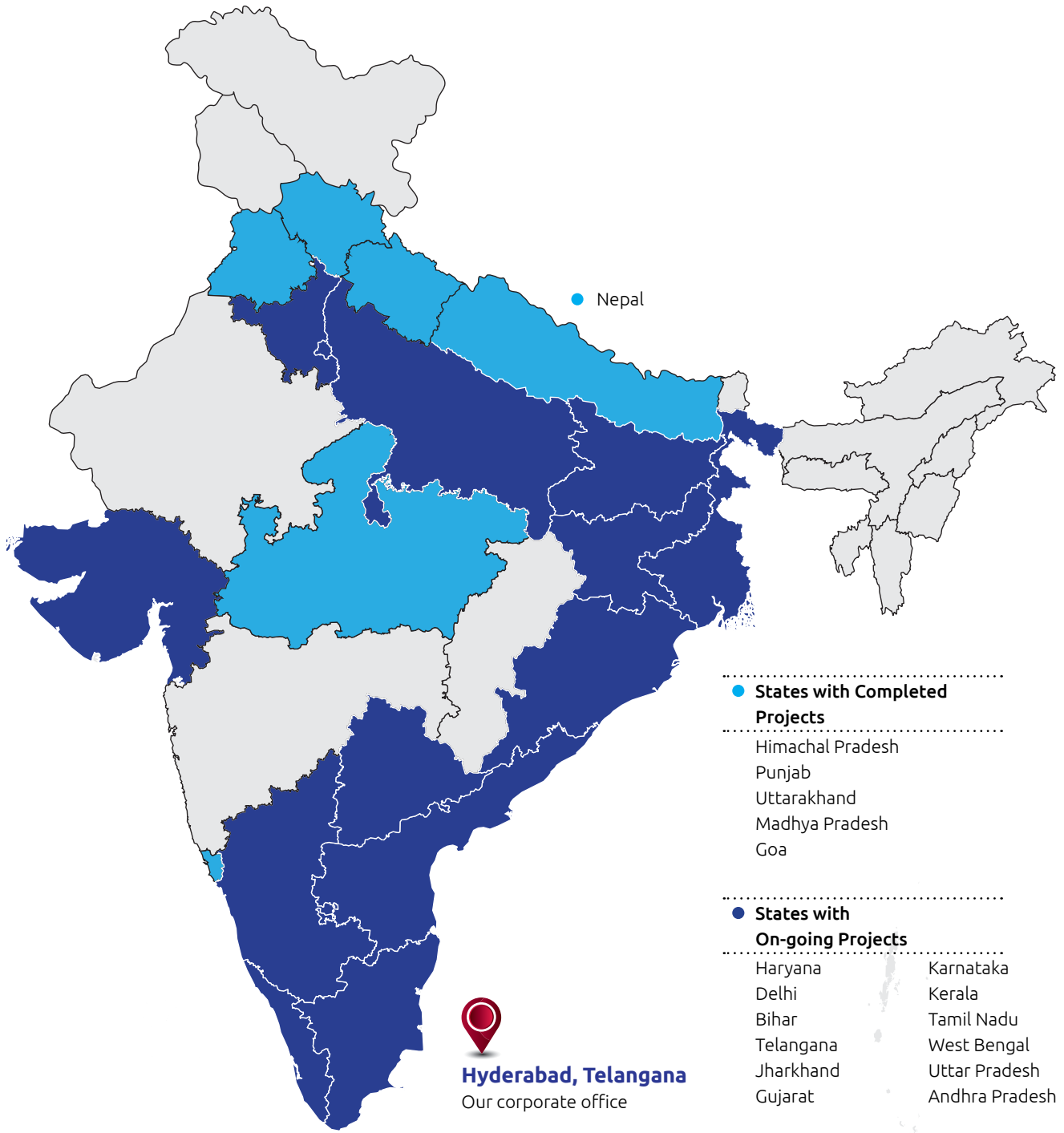
Our Milestones

Since our incorporation in 1998, our company has witnessed significant milestones and achievements that have contributed to its illustrious journey of growth over the years.





Geographical Presence





Business Segments

The Company's business operations can be broadly classified under the two main categories of Pipeline Infrastructure projects and Operation & Maintenance (O&M) Services. Over the last two decades, we have worked relentlessly to deliver services on time with a focus on excellent quality.

Pipeline Infrastructure

The Company's pipeline infrastructure business consists of projects associated with laying of pipelines over long distances across the country, which includes Oil & Gas pipelines, along with the construction of associated facilities. Also, City Gas Distribution (CGD) projects forms an integral part of this business segment that involve transportation and distribution of natural gas to consumers across domestic, commercial or industrial sector through a network of pipeline.

The Company's pipeline infrastructure business can be summarised as follows:

1. Cross Country pipeline projects and associated facilities
 - Civil work
 - Mechanical and piping works
 - Electrical, instrumentation and optical fibre work
2. City Gas Distribution along with PNG Network & CNG Stations

Operation-Wise Revenue Breakdown

Fiscal Year	Pipeline Infrastructure projects	O&M services
FY2020-21	83.80%	16.20%
FY2019-20	78.75%	21.25%
FY2018-19	85.60%	14.40%
FY2017-18	92.62%	7.38%



Business Segments

Key highlights for FY2020-21

- Completion of Motihari-Amlekhganj Pipeline Project - a first trans-national Hydrocarbon Pipeline Project.
- Commenced 4 major projects at Odisha, West Bengal, Gujarat and Uttar Pradesh ongoing pandemic COVID-19.
- Completed 50% of IOCL, PSHPL and PHDPL projects.
- Entered into new geographical areas for city gas distribution projects.
- Pipeline Infrastructure business generated a revenue of ₹ 15974.48 Lakhs contributing 83.80% to the total operating income of the Company.

Details of new significant projects won

Received prestigious orders in World's Longest LPG Pipeline Project (Client – IHB Ltd.; A Consortium of Indian Oil Corporation, Hindustan Petroleum & Bharat Petroleum)-

- Group 6 comprising of 18" x 101 Kms LPG pipeline.
- Group 16 comprising of 12" x 93 Kms and 10" x 30 Kms LPG pipelines.

Order Book

- The Company's outstanding order book position is ₹ 87,407.73 Lakhs as on March 31, 2021, which includes ₹ 58,248.19 Lakhs from Cross Country pipelines and associated facilities, ₹ 26,521.84 Lakhs from City Gas Distribution including CNG Stations thereby contributing of 97% to the total order book of the Company.



Bharat Petroleum Corporation Limited (BPCL)



GAIL Gas Limited



GAIL India Limited



Hindustan Petroleum Corporation Limited (HPCL)



Indian Oil Corporation Limited (IOCL)



IHB Limited (A Consortium of Indian Oil Corporation, Hindustan Petroleum & Bharat Petroleum)



IndianOil-Adani Gas Pvt. Ltd.

Indian Oil-Adani Gas Private Limited (IOAGPL)



INDRAPRASTHA GAS LIMITED

Indraprastha Gas Limited (IGL)



Oil and Natural Gas Corporation (ONGC)



Torrent Gas Private Limited (TGPL)



Operations & Maintenance (O&M) Services

We provide O&M Services to CGD companies which include management services for their existing pipeline network, other repairs, modernization, scheduled shutdowns, as well as overhauling and maintenance. O&M activities are classified into incremental revenue stream that include manpower and tools deployment for all kinds of maintenance, repair and replacement needed for clients.

Key highlights for FY2020-21

- The Company generated a revenue of ₹ 3087.69 Lakhs from O&M services contributing 16.20% to the total operating revenue.

Order book

- O&M services contributes 3% i.e. ₹ 2,637.71 Lakhs to the total order book of the Company as on March 31, 2021.

Key clients



Indraprastha Gas Limited (IGL)



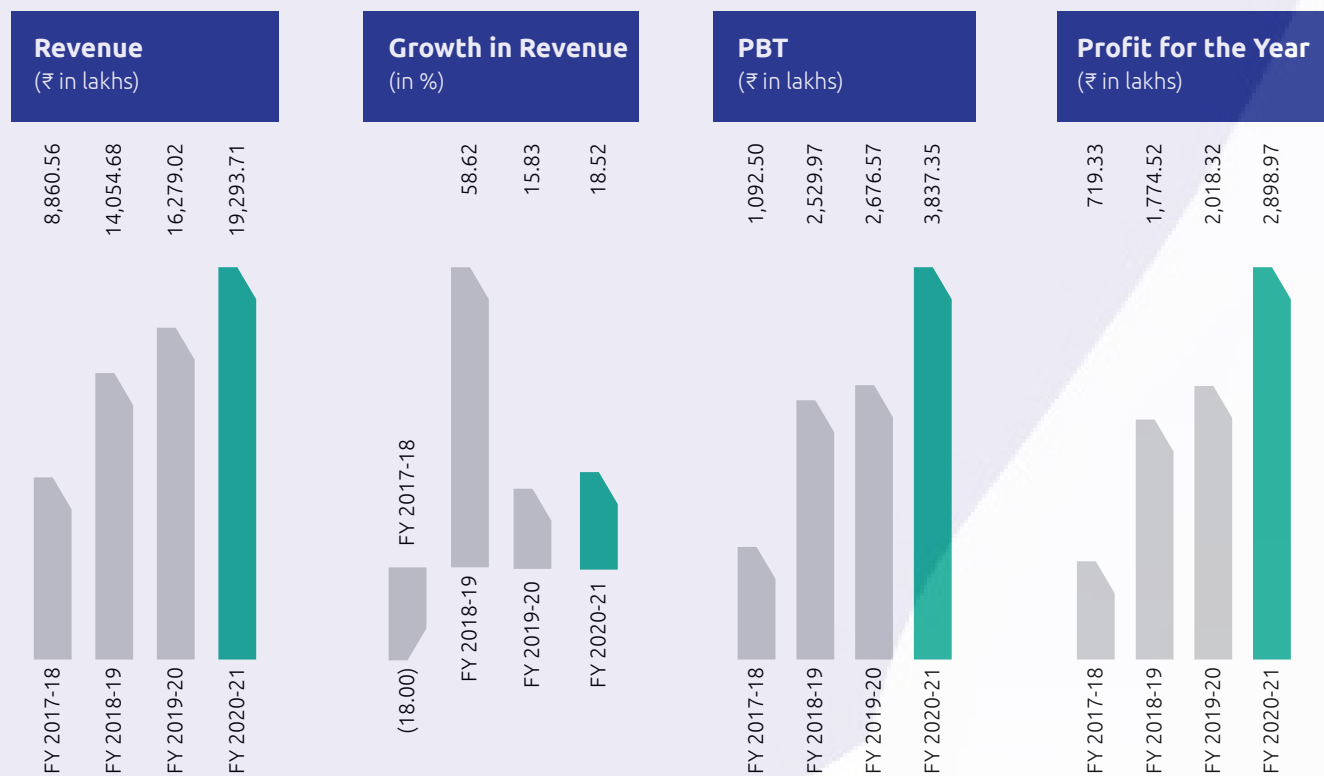
GAIL Gas Limited

Business Objectives:

- To achieve total customer satisfaction by adhering international quality, safety standards and specifications in the pipeline laying industry with a positive attitude and approach by adopting environmentally friendly and latest technologies.
- To protect the health and safety of personal involved in company while minimizing damage caused to environment by controlling the hazards and impacts associated with operations.
- To increase and provide Operational and Maintenance Services for existing and upcoming geographical areas.



Financial Highlights



**PAT Margin**
(in%)**EBITDA**
(₹ in lakhs)**ROCE**
(in %)**Earnings per equity share**
(₹)

Chairman's Message



Dear Shareholders,

The year dawned with a slew of unknowns on account of the global pandemic. Covid-19 brought a detrimental influence on economies, financial markets, and business activities. I hope you and your families are doing well and staying safe in the wake of this crisis.

On reflecting on our Company's achievements in the past year, I am pleased to report that Likhitha Infrastructures has embarked on a ambitious journey, having acquired SEBI authorisation to raise funds through an initial public offering (IPO). It undoubtedly opened up a plethora of new possibilities for our company and its future prospects in the industry in which we operate.

“

We intend to expand our presence throughout the country and play a bigger role in providing services for construction of Cross Country Oil & Gas projects, development of CGD system and O&M operations of the CGD network.

”



Over the past two decades, we have established a track record for successful execution of a majority of our projects on schedule and have strengthened competencies in the Oil & Gas pipeline sector. Further, we have cemented our position through meticulous planning and a unique business strategy which has assisted us in extending our footprint across regions where there is a demand for Oil & Gas pipeline infrastructure services. This diversity has helped us achieve operating efficiencies, focus on the projects and regions where we can be competitive and record adequate margins.

On the back of a robust strategy, we have registered an overall growth in our performance this year. Despite the fact that activities were severely hampered in the early months, owing to countrywide lockdowns and disruptions in the supply-chain, we overcame hurdles with persistence. Post June 2020, most of the Company's operations are stabilised and we were able to deliver a strong financial performance at the year-end.

The revenue from operations stood at ₹ 19,062.17 Lakhs in the current year compared to ₹ 16,123.83 Lakhs in the previous year, registering a growth of 18.22% Y-o-Y. Our operating margins increased by 32.91% in FY 2020-21 recording ₹ 4149.99 Lakhs against ₹ 3122.34 Lakhs in FY 2019-20

To distinguish our presence from that of our competitors, we continued to emphasise on areas of cost efficiencies, strategic market penetration, invest in areas of developing customised systems and disciplined approach to project execution. The Company believes that its track record of successful and timely completion of projects gives it an edge to pitch for more complex projects and expand the client profile, which includes some of the major Oil & Gas companies in the country.

We have also adopted good industry practices, including deployment of advanced technology and a diverse fleet of sophisticated equipment. Our in-house fleet of equipment allow us to meet project deadline on time, optimise overhead costs, increasing productivity and maximise asset utilisation.

The safety of our personnel, is our primary concern. Hence, we continue to ensure that our activities are in accordance with applicable health and safety standards. Our goal is to operate under a comprehensive safety policy that focuses on zero accidents, reduced environmental footprints, and effective hazard management.

We recognise the fact that an experienced, motivated, and well-trained workforce is crucial for the effective implementation of our business. Apart from investing in training programmes to enrich

our employees with high level of productivity, we are also determined to improve their career paths and personal well-being through our employee engagement initiatives.

We anticipate new prospects emerging in the course of our operations in the coming years. The recent growth in natural gas consumption in India is projected to open up a number of opportunities for the pipeline infrastructure industry. Moreover, favourable government regulations are likely to function as a catalyst for accelerating the expansion of the sector. Hence, we intend to expand our presence throughout the country and play a bigger role in CGD system and O&M operations of the CGD network.

I would take this opportunity to extend my heart-felt appreciation to all our shareholders, customers and employees, board members and all other stakeholders in the ecosystem for your trust and continuing support and loyalty towards The Company.

Thanks and regards,

Sivasankara Parameswara Kurup Pillai
Chairman

Managing Director's Message

Dear Shareholders,

Fiscal 2021 will go down as an eventful year in the history of mankind. With the sudden outbreak of coronavirus, the world confronted a severe health catastrophe, and the economy endured one of its most dreadful depressions in a decade. All economic activities encountered major financial and operational threats, and it became important for businesses across the world to emerge with strategic resilience and capitalize on the emerging opportunities.

To meet the challenges presented by the pandemic, the Company has emphasized enhancing its business value through the implementation of the appropriate set of strategies. We have now embarked on a new phase of business by issuing public equity shares and listing on the BSE Limited and the National Stock Exchange of India. It expanded our scope for bidding on high value-yielding projects and strengthening of financial indicators, therefore ensuring improvement in our overall operational capabilities. Even in the midst of turbulent economic conditions, we commenced 4 new major projects in the reviewing fiscal.

The Company is presently engaged in manifold projects, ranging from Cross Country pipeline projects to City Gas Distribution projects and providing O&M services. Our credibility in this field has contributed to the development of healthy customer relationships and enabled us with repeat orders from existing clients. With such client-centric approach, our primary goal is to achieve long-term profitable growth by executing projects within stipulated timelines.

Even though our business momentum was sporadic in the first few months of the year, we experienced a good rebound in our business segments in the post-lockdown period. We focused on instilling an efficient business model, involving apt project evaluation with a steady emphasis on cost minimization. This approach allowed us to stay relevant and competitive, and aided us with better profit margins. Also, important government initiatives in the Oil & Gas industry have expedited our growth, the advantages of which will be reflected in the company's long-term forecast.

Speaking of our financial highlights, our total revenue from operations reported a growth of 18.22% Y-o-Y at ₹ 19,062 Lakhs in FY21 against ₹ 16,123 Lakhs in the previous year and, our net profit has shown an impressive CAGR growth of 58.56% over the last 5 years.

The total order book of the Company has shown a growth of 44.10% at ₹ 87,407.73 Lakhs as against ₹ 60,662.18 Lakhs previous year. It includes ₹ 58,248.19 Lakhs from Cross Country pipelines and associated facilities, ₹ 26,521.84 Lakhs from City Gas Distribution including CNG Stations, and ₹ 2,637.71 Lakhs from Operation & Maintenance of CNG/PNG services.

We are now witnessing a fueled acceleration in O&M Services, which has surged at a CAGR of ₹ 297.51 percent between fiscal 2017 and fiscal 2020. We anticipate that the CGD sector will boost our business growth in O&M Services in the near future.

Considering this exponential growth in pipeline projects in India, we remain committed to strengthen our

capabilities to execute high value projects.

By constantly developing organizational abilities through ingenuity and teamwork, we strive to deliver services with the highest standards of workmanship and remarkable speed. As a result, our efforts are directed on creating a healthy working environment for our employees, enabling us to achieve a high level of productivity in our work performance. We have taken adequate measures against COVID-19 including WFH facilities to the employees, wherever required. Our experienced senior management continuously supervises service quality of our employees and engages them through regular programmes, keeping the entire workforce active, interested and knowledgeable.

In difficult times as such, company prioritizes the employees' health and well-being above everything else. We have undertaken a variety of Covid mitigation initiatives, including the distribution of Covid antigen test kits, establishment of quarantine facilities, hospital admission assistance, and financial assistance to employees who have tested positive, among others.

As our future outlook, we see attractive prospects in the Oil & Gas pipeline industry, and we are steadily enhancing our operations in order to bid on larger projects. We want to operate in the same line of business for the next term, while also exploring new collaboration prospects with new clients.

In conclusion, my heartfelt thanks go



to every stakeholder in our ecosystem, whose persistent determination and commitment have led us to where we are today. In the following days, we shall work together to build a sustainable future for the Company.

Thanks and regards,

Srinivasa Rao Gaddipati
Managing Director

“
Our future outlook, we see attractive prospects in the Oil & Gas pipeline industry, and we are steadily enhancing our operations in order to bid on larger projects.”

Investment Case

We are a leading Oil & Gas pipeline infrastructure service provider in India, focused on laying pipeline networks along with related facilities; and providing Operations & Maintenance services to the City Gas Distribution (CGD) Companies in India.

Our customer base comprises of established players in the Oil & Gas industry, both in public and private sector, having laid over 1000+ kilometres through over the years.

Strong presence in India

We have a strong presence in more than 16 states and 2 Union Territories in India. Due to our excellent services, years of experience and operations in these regions, we have developed strong relationships with respective stakeholders. Our geographical diversity enables us to achieve operating efficiencies, focus on our projects and regions where we can be competitive and deliver sustainable margins.

Key project highlights:

- **10.75" OD x 69 Kilometres Petroleum Product Pipeline**

The first ever Trans-National Cross-Country Pipeline of South-East Asia connecting India to Nepal for supply of petroleum products.

- **18" x 101 Kms LPG Pipeline**

Laying Works for Durgapur-Haldia Pipeline Section along with associated Station works under Paradeep-Haldia-Durgapur Augmentation Pipeline Project

- **18" x 123 Kms Multi-product Pipeline**

Laying Works for Paradeep- Haldia Pipeline Section along with associated Station works under

Paradeep-Somnethpur-Haldia Pipeline Project

- **12" x 125 Kms Pipeline**

Laying Works for Dobhi- Durgapur-Haldia Pipeline Section along with Spur-lines under Jagdishpur-Haldia-Durgapur-Bokaro Pipeline Project

- **12" x 40 Kms Pipeline**

Laying & Construction works for Bantumilli & Ullampura Pipeline Project


- **18" x 111 Kms LPG Pipeline**

Laying Works for IOCL Sanand to IOCL Dumad Pipeline Section (Group-6) along with associated Station works under Kandla Gorakhpur Pipeline Project

- **12" x 93 Kms & 10" x 30 Kms LPG Pipeline**

Laying Works for Rodapur T-Point to IOCL Varanasi Pipeline Section (Group-16) along with associated Station works under Kandla Gorakhpur Pipeline Project



 Open Cut Method- Dhobi Durgapur pipeline project



Efficient Business Model

The Company's growth is largely attributed to the calibrated processes which comprise our competent and highly effective business model, involving identification & assessment of project with emphasis on cost optimization.

Our model is based on several crucial and strategic steps which help boost our operational efficiencies. As per the terms of the contract awarded, our client provides us with sizable portion of the raw materials (pipes, fittings and other materials) as required for execution of projects. A relatively smaller portion of supply materials to be procured by the company.



Strong Financial Performance

We are consistently delivering strong financial results with consistent focus on maintaining robust balance sheet.

38.96% CAGR

In Income from Operations, from 2015-2020

(₹ 3,11.92 lakhs in FY2015 to ₹ 16,123.83 lakhs in FY2020)

58.56% CAGR

In Profit after Taxation, from 2015-2020

(₹ 198.34 lakhs in FY2015 to ₹ 1987.93 lakhs in FY2020)

We strive to maintain high ROCE, positive operating cash flow and shorter debtor cycles that enable us to maintain sufficient working capital limits. These positive financial metrics assist our efforts for inculcating growth. Through our calibrated decision making efforts and consistent developments, we aim to better manage unanticipated cash flow variations and be prepared for any challenges. We believe that our financial strength is a key factor that differentiates us from other players, and provides us an edge in terms of access to bank guarantees and letters of credit.

Scalability of Operations

As per the recent Government policies, PNGRB has increased the number of Geographical Areas (GAs) to 228 comprising of 402 districts spread over 27 States and Union Territories, covering 70% of Indian population and 53% of its area. These recent Government initiatives have provided lucrative opportunities for Oil & Gas infrastructure service providers such as ours, who is already having a good presence in City Gas Distribution Projects along with construction of CNG Stations.

Investment Case

Strong project execution capabilities

On the basis of our experience and expertise, we believe that our enhanced equipment base, technically qualified and experienced employee pool, better cost control mechanisms, superior project management systems and capabilities enable us to execute large and complex projects.

Long term relationship with clients and repeated business

Our reputation has helped us develop strong client relations an resulting in repetitive business associations. Despite increase in competition, we have maintained strong cordial connections with our clients, which include major Oil & Gas companies, spread across the country. We aim to deliver the best services available in the industry, to our valued clients, addressing all their requirements with an aim to thoroughly improve our business sustainability.

42 on-going projects

Engaged across India,
as of March, 2021

11

Number of clients





Highly experienced Management Team

The reins of our company are in the hands of highly accomplished professionals led by our Promoter, Mr. Gaddipati Srinivasa Rao, whose vision and leadership has been monumental in guiding growth and implementing business strategies. Our management team has the experience required for the seamless running of our operations and handling the entirety of our business, as well as expansion plans for the future.

We believe that we have achieved a measure of success in attracting an experienced senior management team with operational and technical capabilities, management skills, business development experience and financial management skills. In addition, our Board includes a strong combination of management as well as independent members that bring significant business experience to our Company.

30+

Years of cumulative experience of top management

Diverse fleet of sophisticated equipment

Our Company owns and maintains a diverse range of equipment such as Pipe Layers (Side-boom), Excavators, Horizontal Directional Drilling Machines, Compressors, Generator sets, Welding Machines, etc. which allows us to meet majority of the requirements for our on-going projects. Our equipment base is properly managed, maintained and operated. Majority of the works

in the pipeline infrastructure business are carried out through trenchless technology. We have a substantial fleet of horizontal directional drilling machines, which makes us more cost effective as compared to our competitors, who hire machines on rental basis, which in turn increases their cost of execution.

17,57,30,157

Gross block as on March 31, 2021



Our Employees

We remain committed to building a strong workforce that remain pivotal to our long-term business goals.

We bestow the values such as teamwork, humility, diversity and commitment in our work culture. Our employees share together same values to drive the organisation forward.



Our Health & Safety Priorities

Employee health & safety, diversity and respect for labour rights are some of the crucial priorities our organisation focuses for our employees. We also work to continually develop our employee skills and knowledge, which is essential in a highly competitive and rapidly changing environment.

We are committed to the development and seamless running of our operations while providing safe working conditions for our employees and contractors. Safety is the first leadership value of our organisation. Caring about our people, and ensuring their well-being, is the foundation of what it means to be a sustainable business.

- We believe that our employees are our most important resource, and together, we will tirelessly work to identify and make the work environment free from potential hazards and risk, thereby strengthening our health and safety management culture.
- We believe that work related injuries and illnesses are preventable if proper precautionary steps are taken to eliminate all workplace accidents, protect human health and company property, while maintaining compliance with all applicable regulatory requirements.





- We believe every single employee should have the right to be able to live and work, free from the risk of injuries and accidents, which underpins our mission for safety.

1000+

Employees

25+

Training Program conducted



Our Employee Engagement

Employee engagement is one of the biggest constituent of our business strategy and performance. By engaging with our employees we aim to build trust and create a working environment in which they can feel that their contribution is valued.

At Likhitha Infrastructure Limited, we aim to engage our employees in a variety of key topics ranging from innovation to ethics to operations, in order to build a healthy channel of communication and productive exchange of ideas. In addition, we consistently focus on enhancing our work environment to greatly magnify our efforts.

Our people are committed to deliver solutions to complex problems and making the world a better place. We believe that building connections

between our employees, their families and our communities create an even more meaningful, fulfilling, fun and productive workplace. Our engagement

programs support our employees' lives inside and outside work and empower them to influence the morale, culture and practices of our Company.



Board of Directors



Sivasankara Parameswara Kurup Pillai
Chairman



Srinivasa Rao Gaddipati
Managing Director



Likhitha Gaddipati
Non-Executive Director



Lakshmi Gaddipati
Non-Executive Director



Kutumba Rao Gaddipati
Non-Executive Director



Talpa Sai Venkata Sesa Munupalle
Independent Director



Venkatram Arigapudi
Independent Director



Jayashree Voruganty
Independent Director



1. Sivasankara Parameswara Kurup Pillai

Chairman

Mr. Sivasankara Parameswara Kurup Pillai is the Chairman and Independent Director of the Company. He has more than 40 years of experience in the relevant field. A pioneer in City Gas Distribution projects in India has worked/associated with several organisations in the relevant field. An expert in chemical/petrochemical plants, Cross Country pipelines, tank farms, refineries was instrumental in shaping many contracting companies. He has the experience of executing many projects in different parts of India and abroad involving construction of carbon steel pipelines and MDPE pipeline along with pumping stations, terminal stations. As an Independent Director and Chairman of the company, he monitors the techno-commercial aspects of our operations.

2. Srinivasa Rao Gaddipati

Managing Director

Mr. Srinivasa Rao Gaddipati is the Managing Director of our Company and is the founder and promoter of the company. He is having vast technical experience of over three decades in the Oil & Gas infrastructure business and is the guiding force behind the successful execution of our business strategies over the years. Our Company has grown during the past under his leadership and guidance. He has exposure in all business verticals and is engaged in supervision & conduct of business of the Company, along with a team of senior management personnel, who assist him in carrying out his activities, subject to the overall supervision & control of the Board of Directors. Meteoric rise of this Company and success is hugely attributed to him.

3. Likhitha Gaddipati

Non-Executive Director

Mrs. Likhitha Gaddipati is the Non-executive Director of our Company. She has completed B. Tech in Computer Science and Engineering from SRM University, Tamil Nadu and Master's in Information Technology and Management from Illinois Institute of Technology, Chicago, Illinois, USA. Mrs. Likhitha Gaddipati has vast experience in finance and project management.

4. Sri Lakshmi Gaddipati

Non-Executive Director

Mrs. Sri Lakshmi Gaddipati is the Non-executive Director of our Company and has been associated with our Company since inception. She has significant experience in the overall administration of our Company. She has played a crucial role and provided necessary support in the growth of our Company.

5. Kutumba Rao Gaddipati

Non-Executive Director

Mr. Kutumba Rao Gaddipati is the Non-Executive Director of our Company and has been associated with our Company since August 16, 1998. Mr. Kutumba has done his Masters of Science in Electronics & Control systems engineering from the Birla Institute of Technologies and Science (BITS), Pilani, Rajasthan. He is having vast experience in the field of engineering management and has worked with Indian Space Research Organization, Bangalore, (ISRO) as Senior Scientist; with Sun Electronics Technologies Limited, Bangalore as Manager R&D-IC Design; with Wipro Technologies, Bangalore as Senior Specialist-VLSI/System Design; with Audio Video Millenium, Inc., Santa Clara, California, USA as Director-IC Design Engineering; with Broadcom Limited, Santa Clara, California, USA as Senior Manager R&D-IC Design; and recently with Marvell Semiconductor, Santa Clara, California, USA as Director of Engineering. His vast knowledge and experience in the information technology and software industry helps him contribute his concepts & skills in developing our business intelligence strategies and IT infrastructure for easy operations & management at both site and office

6. Talpa Sai Venkata Sesha Munupalle

Independent Director

Mr. Talpa Sai Venkata Sesha Munupalle is the Non-Executive and Independent Director of our Company. He has done his graduation In Faculty of Commerce, Andhra University and is a Fellow Member of The Institute of

Chartered Accountants of India (ICAI). He worked with Hindustan Cables Ltd (Central Public Sector Undertaking) from nov., 1975 to Apl, 1982 and with HMT Bearings Ltd (Subsidiary to HMT LTD-Central Public Sector Undertaking) from Apl., 1982 to June, 2008 and retired as Joint General Manager Finance in the year 2008. He presently holds Certificate of Practice as Chartered Accountant and has been practicing since August 2008. He has knowledge and experience in the fields of Accounting, Finance, Budgeting, Taxation, Audits and relevant matters.

7. Venkatram Arigapudi

Independent Director

Mr. Venkatram Arigapudi is a Non-Executive and Independent Director of the Company. He is a graduate from Agriculture College, Bapatla in the year 1977, completed various management courses organised by ASCI- Hyderabad and IIM-Kolkata. Mr. Venkatram Arigapudi retired from Adventz group in July 2017 as National Sales Head. Mr. Venkatram Arigapudi has over 42 years' experience in the field of Agri-inputs marketing. He has sound experience in the fields of public relations, business development, training and building the core teams in the organisation.

8. Jayashree Voruganty

Independent Director

Ms. Jayashree Voruganty is a Non-Executive and Independent Director of the Company. A qualified Chartered Accountant dealing with Government Audits, GST matters, taxation and accountancy matters. She has over 23 years of Post Qualification Experience in the field of Finance, Accounting, Budgeting, Taxation, Audit. She has completed Post Graduate Diploma in Management from IIM- Ahmadabad and Obtained M.B.A from Xavier School of Management (XLRI). She has been certified in Forensic Accounting & Fraud detection by ICAI. She is bestowed with vast knowledge and experience in the fields of Finance & Accounting and relevant matters.

Corporate Information

Board of Directors

Mr. Sivasankara Parameswara Kurup Pillai
Non-Executive Independent Director (Chairman)

Mr. Srinivasa Rao Gaddipati
Promoter and Managing Director

Mrs. Likhitha Gaddipati
Promoter and Non- Executive Director

Mrs. Sri Lakshmi Gaddipati
Non- Executive Director

Mr. Kutumba Rao Gaddipati
Non- Executive Director

Mr. Talpa Sai Venkata Sesha Munupalle
Non-Executive Independent Director

Mr. Venkatram Arigapudi
Non-Executive Independent Director

Mr. Jayashree Voruganty
Non-Executive Independent Director

Key Managerial Personnel

Mr. Sudhanshu Shekhar
Chief Executive Officer

Mr. Sambasiva Rao Ketineni
Chief Financial Officer

Mr. Santhosh Kumar Gunemoni
Company Secretary and Compliance Officer

Registered Office:

8-3-323, 9th Floor, Vasavi's MPM Grand, Ameerpet 'X' roads, Yellareddy Guda, Hyderabad, Telangana-500 073.

Statutory Auditors

M/s. NSVR & Associates LLP
Chartered Accountants, Hyderabad.

Internal Auditors

M/s. Mukul Tyagi & Associates,
Chartered Accountants, New Delhi.

Secretarial Auditors

M/s. VCAN & Associates
Practicing Company Secretaries, Hyderabad

Registrars & Share Transfer Agents

Bigshare Services Private Limited
306, Right Wing, 3rd Floor, Amrutha Ville, Opp. Yashoda Hospital, Somajiguda, Rajbhavan Road, Hyderabad- 500 082.

Contact Information

Contact Number: 040 2375 2657
e-mail: cs@likhitha.in
Website Link: <http://likhitha.co.in/>

COMMITTEES OF THE BOARD

Audit Committee

Mr. Talpa Sai Venkata Sesha Munupalle	- Chairman
Mr. Srinivasa Rao Gaddipati	- Member
Mr. Sivasankara Parameswara Kurup Pillai	- Member

Stakeholders' Relationship Committee

Mr. Sivasankara Parameswara Kurup Pillai	- Chairman
Mrs. Sri Lakshmi Gaddipati	- Member
Mr. Srinivasa Rao Gaddipati	- Member

Initial Public Offering Committee (IPO Committee)

Mr. Srinivasa Rao Gaddipati	- Chairman
Mr. Talpa Sai Venkata Sesha Munupalle	- Member
Mr. Sivasankara Parameswara Kurup Pillai	- Member
Mr. Santhosh Kumar Gunemoni	- Secretary

Nomination & Remuneration Committee

Mr. Venkatram Arigapudi	- Chairman
Mr. Sivasankara Parameswara Kurup Pillai	- Member
Mr. Talpa Sai Venkata Sesha Munupalle	- Member

Corporate Social Responsibility Committee

Mr. Srinivasa Rao Gaddipati	- Chairman
Mrs. Sri Lakshmi Gaddipati	- Member
Mr. Sivasankara Parameswara Kurup Pillai	- Member

Risk Management Committee

Mr. Srinivasa Rao Gaddipati	- Chairman
Mr. Jayashree Voruganty	- Member
Mr. Sivasankara Parameswara Kurup Pillai	- Member
Mr. Sudhanshu Shekhar	- Member
Mr. Sambasiva Rao Ketineni	- Member



Management Discussion & Analysis

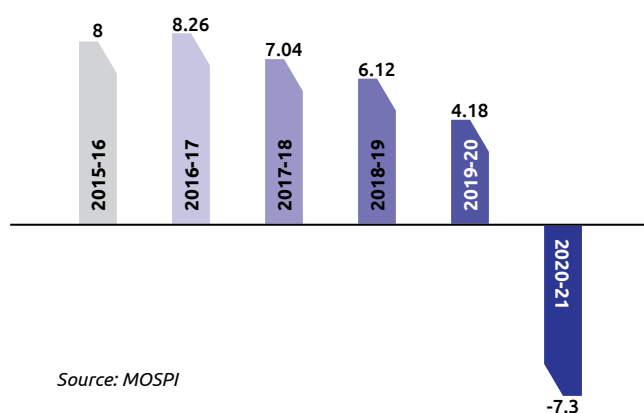
Indian Economy

The Coronavirus pandemic has deeply impacted the growth potential of the Indian economy which recorded a negative growth of 7.3% for 2020-21 (FY 2021)¹. GDP at constant (2011-12) prices in Q4 of 2020-21 stood at Rs 38.96 lakh crore, as against prices in Q4 of 2019-20 which stood at Rs 38.33 lakh crore showing a growth of 1.6 percent². The measures taken by the government to contain the spread of COVID-19 had an impact on economic activities as well as on data collection mechanisms. In Q1 of FY21, the GDP contracted by 24.38% but improved to -7.5% in the July-September quarter, when the government started to open up the economy after a prolonged lockdown.

The core Gross Value Added (GVA) growth, which excludes the agriculture and government sector was 4.1 % in Q4 FY21 against the 3.7% growth in overall GVA, indicating higher contribution of industrial and services segment in the improvements in GVA. In Q4, GVA growth in construction grew by 14.5% from 0.7%, as developers doubled efforts after the lockdown to complete on-going works to meet a sharp rise in demand for real estate. Similarly financial, real estate and professional services grew by 5.4% in Q4 FY 2021 from 4.9%, primarily because of pent-up demand.

Figure 1: GDP Growth

GDP (%)



Source: MOSPI

Outlook

After the huge GDP contraction in FY21, economic growth is projected to bounce back in FY22, driven by pent-up demand

for consumer and investment goods, before declining in FY23. India's GDP to record a growth of 12.5% in FY 2022³. The dramatic infections upsurge since February has weakened the nascent recovery and may compound financial woes of corporates and banks. As public anxiety over the virus spreads and lockdowns multiply, high-frequency indicators suggest that a marked slowdown may have taken place in the April-June quarter, although the overall annual impact is likely to be muted. Wholesale and retail inflation rates remain elevated, but within the target range of the central bank.

The damage that COVID-19 continues to inflict on the poor makes it necessary to prioritise policies that reduce scarring effects, in particular for children that have been out of school for months and increase investment and employment opportunities. The banking sector remains fragile, although the proposal to create an asset recovery company and the planned privatisation of two public banks testify to the authorities' commitment to reforms. The healthy foreign exchange reserves position should provide sufficient buffers to deal with any potential external shock-driven capital-stop or outflows in the period ahead.

Industry Overview

India's natural gas consumption is small but increasing, but its role varies by sector, by scenario and over time. The current share of natural gas in the energy mix of India is 6% among the lowest in the world⁴. Most gas is used in the industrial sector and in power generation. Residential gas consumption is small, but India is expanding its gas distribution networks rapidly, an area where major growth is expected. Some states and cities also promote gas vehicles to reduce emissions from the transport sector. Domestic production covers just over half of India's gas supply. The rest is imported in the form of liquefied natural gas (LNG), which has increased rapidly in recent years, due to the decline in global gas prices. Investment in new LNG terminals is on a rapid rise. In 2014 India linked its domestic gas price to a basket of international LNG prices. Since domestic gas production has developed below expectations, gas use for power generation struggles to compete with cheap coal and renewables under the current contracted import prices. To stimulate more domestic production of Oil & Gas, the Government of India (GoI) has introduced a Hydrocarbon Exploration and Licensing Policy (HELP), which brought freedom of price setting and marketing for new gas production.

¹ As per data released by the National Statistical Office (NSO) on May 31, 2021

² The Ministry of Statistics & Programme Implementation (MOSPI)

³ As per IMF

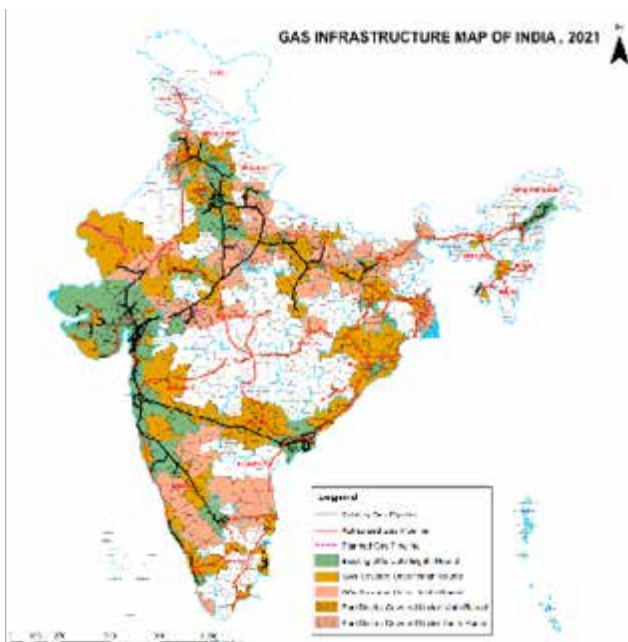
⁴ A report by IEA

All major economies are facing huge gas demand destruction as well as risk of recession due to Covid-19 which has damaged the complete industrial outputs and supply chain. There was a decline in natural gas demand in India by 5.5% in 2020-21 to the lowest in three years as Covid-linked lockdowns hit demand from small industries and the transport sector⁵. Gas consumption fell to 60.6 million billion cubic meters (BCM) during the financial year⁵. Gas imports declined 3% to 33 BCM but the share of imports in domestic consumption rose to 54% from 53% in the previous year⁵. Very low gas prices in the international market for most of the year too did not help boost domestic demand. There has been a great impact on city gas demand of the nationwide lockdown at the starting of the FY21 and local lockdowns for much of the year. City buses and other vehicles using compressed natural gas (CNG) stayed off the road for a long time. It also took time to smaller factories, a key customer segment for gas suppliers, to return back to normal after the operations were shut during the lockdown. There has been growth in the use of pipeline natural gas (PNG) in urban areas. The government plans to expand the city gas distribution of PNG network to cover 70% of all households by 2030.

As India builds out its gas infrastructure, natural gas can find multiple uses in India's energy system, including helping meet air quality and near-term emissions goals if supply chains are managed responsibly. But the Sustainable Development Scenario also underlines that a long-term vision for gas needs to incorporate a growing role for biogas and low-carbon hydrogen, for which India has large potential.

Gas pipelines are the most cost effective and safest mode of transportation of natural gas to its end users (power generators and urea manufacturers). At present, there are about 17,126 km of Natural Gas pipelines which is operational in the country⁶. In order to make available natural gas across the country, additional pipelines are under construction to complete the National Gas Grid. This pipeline network is expected to expand to around 32,559 kms with a total design capacity of around 495 MMSCMD in coming years, putting in place most of the National Gas Grid that would connect all major demand and supply centre in India. This would ensure wider availability across all regions of the country.

Indian Energy and Natural Gas industry has a lot of potential due to the ongoing developmental advances in natural gas infrastructure. Although India has a relatively under-developed gas pipeline infrastructure when compared to developed economies, there is a significant growth seen in the operational activities along with prominent assistance from Central Government. This growth in the gas pipeline infrastructure will ensure wider and uniform availability of gas across all regions from economic and social progress.



Government Initiatives for Gas Pipeline Infrastructure

For the creation of a gas pipeline infrastructure in India, the Central Government has announced that it will make an investment of USD 60 billion over the period of next four years which includes laying gas pipelines and LNG terminals. The Centre is envisaging a gas-based economy by increasing the share of natural gas in India's primary energy mix from 6.2% to 15% by the year 2030⁷. A strong emphasis has been laid on the expansion of city gas distribution networks by covering 407 districts, with a focus on the development of the gas pipeline network to achieve 'One Nation One Gas Grid'⁸.

Growth Drivers

- **Gas Supply & Demand:** The demand for Oil & Gas is projected to stay steady due to strong economic growth and rising urbanisation, with consumption is projected to reach 143.08 bcm by 2040.
- **CGD:** City Gas Distribution has gone up from 20% to 70%. This shows the rising tide of consumption and the booming market in urban areas.
- **Abundant Raw Materials:** The availability of Oil & Gas raw materials has presented a growth path for the sector which can materialize into steady returns over the years.
- **Favourable Policies:** National Data Repository (NDR), Discovered Small Field Policy (DSF), Marketing and Pricing freedom for natural gas, National Seismic Programme (NSP) of un-appraised areas Planned 2D Seismic Survey for

⁵ An article by ONGC

⁶ Petroleum and Natural Gas Regulatory Board (PNGRB)

⁷ <https://www.assocam.org/newsdetail.php?id=7470>

⁸ https://www.pmindia.gov.in/en/news_updates/pms-address-at-laying-of-foundation-stone-of-key-projects-of-oil-gas-sector-in-tamil-nadu/?comment=disable



48K LKM, are some of the policies released with growth of the Oil & Gas sector in mind.

- **Government Incentives:** Early production royalty concession of 10%, 20% and 30% for Category I, II and III basins.
- **Setting up LNG Stations:** Any entity with the means and resources, can set up LNG gas stations anywhere in the country even if they do not have a CGD license. This presents immense potential for the rise of LNG based vehicles and tools.⁹

Opportunities Ahead

Industrial gas demand including the use of gas as a feedstock for petrochemical and fertilizer production is the primary source of growth of demand for natural gas. Recent policy moves, including a wide-scale rollout of CNG and the expansion of gas infrastructure including LNG terminals, long-distance transmission pipelines and city gas distribution networks, will help drive 30bnm³ of gas demand growth over the next decade through fuel switching away from coal and oil. A recent switch to CNG from coal in India's brick industry is encouraging greater gas use.

Challenges Ahead

A "gas-based economy" may be complicated by consumers' price sensitivity, especially given the complex patchwork of additional charges and tariffs. There is an affordability gap between natural gas and competing fuels in several sectors, although a small subset of consumers benefit from access to lower-cost domestic gas. and competition from cheap solar power could also mean natural gas will end up playing a secondary rather than central role in India's electricity sector. High tariffs that have pushed the power sector away from natural gas, and constraints from cash-strapped distribution. Domestic gas prices are not adequate to trigger larger upstream investment, especially at a time when company finances are under strain from the Covid-19 pandemic and there is ample availability of international LNG.

Company Overview

The company excels in the business of pipeline laying by providing comprehensive erection, testing and commissioning of Oil & Gas pipelines. The Company's operations consist of three principal business lines:

- (i) Cross Country Pipelines and construction of associated facilities.
- (ii) City Gas Distribution including construction of CNG stations.
- (iii) Operation & Maintenance for CNG/PNG services.

The company is amongst the top pipeline laying companies in India, presently working with all major public and private Oil & Gas companies with over 20 years of vast experience in the field with diversified operations spread across several geographical regions in the states of Andhra Pradesh, Bihar, Chandigarh, Delhi, Goa, Gujarat, Haryana, Himachal Pradesh, Jharkhand, Karnataka, Kerala, Madhya Pradesh, Odisha, Punjab, Tamil Nadu, Telangana, Uttarakhand, Uttar Pradesh and West Bengal. The Company is the first pipeline laying company from South-East Asia to execute the first ever Trans-National Hydrocarbon (Multi-product) pipeline connecting India and Nepal.

The Company's goal is to be the best in the fields of Oil & Gas pipeline infrastructure, engineering & services by providing services with highest levels of workmanship and exemplary speed by continuously enhancing organizational skill through innovation and teamwork. The objective of the company is to achieve total customer satisfaction by adhering to international quality, safety standards and specifications in the pipeline laying industry with a positive attitude and approach by adopting environmentally friendly and latest technologies to protect the health and safety of the personnel involved, while minimizing damage caused to environment by controlling the hazards and impacts associated with our operations.

SWOT ANALYSIS

Strengths

- Experienced in operational, commercial, network planning activities and management of new-build projects of Oil & Gas pipeline infrastructure for over 20 years.
- Excels in delivering the projects with utmost quality while maintaining Environment, Health and Safety standards.
- Timely delivery of projects and services in all business areas.
- Consistent expansion of operations thereby strengthening our presence all over the country.
- Financially strong with robust growth in revenue & profit margins.
- Economic Moat allows company to maintain competitive advantage and prevent other players from foraying into the sector.

⁹ <https://www.investindia.gov.in/sector/oil-gas>

Weaknesses

- Rising raw material and commodity costs.

Opportunities

- Expansion of the business based on new Government initiatives.
- Potential global expansion of the company.

Threats

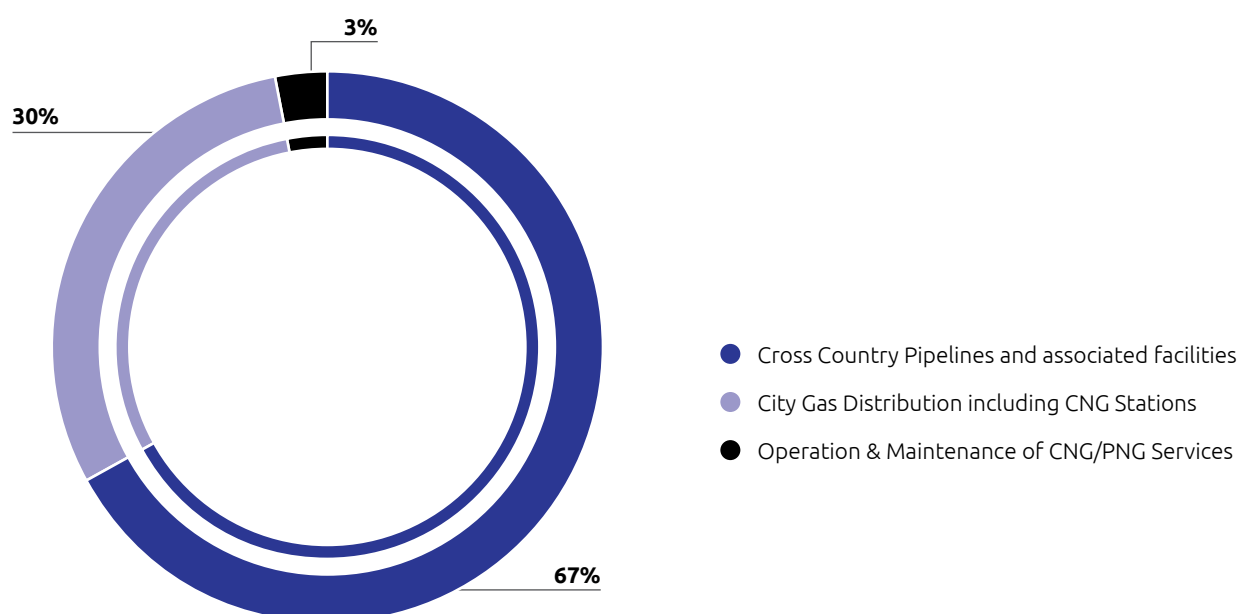
- Unforeseeable change in Government policies
- Increase in competitive bids for procuring the projects.
- Any future COVID lock-down extensions would affect the work deliverables.

Operational Highlights

Order Book

The Company's outstanding order book position is 87,407.73 Lakhs as on March 31, 2021, which includes ₹ 58,248.19 Lakhs from Cross Country pipelines and associated facilities, ₹ 26,521.84 Lakhs from City Gas Distribution including CNG Stations and ₹ 2,637.71 Lakhs from Operation & Maintenance of CNG/PNG services as against order book position of ₹ 60,662.18 Lakhs as on March 31, 2020, thereby increase in growth of order book by 44.10%.

Order Book Distribution





Financial Highlights

(Figures in Rs. Lakhs)

Particulars	FY 2020-21	FY 2019-20	YoY Change (in %)
Revenue from Operations	19,062.17	16,123.83	18.22%
EBITDA	4,149.99	3,122.34	32.91%
PBT	3,837.35	2,676.56	43.37%
PAT	2,898.97	2,018.32	43.63%
Net Worth	15,340.36	6,995.58	119.29%

Revenues

The total income from the operations increased by 18.22% in FY 2020-21 recording ₹ 19062.17 Lakhs against ₹ 16,123.83 Lakhs in FY 2019-20.

Profits

EBITDA increased by 32.91% in FY 2020-21 recording ₹ 4199.99 Lakhs against ₹ 3122.34 Lakhs in FY 2019-20.

Net profit after tax increased by 43.63% in FY 2020-21 recording ₹ 2898.97 Lakhs against ₹ 2018.32 Lakhs in FY 2019-20.

Net Worth

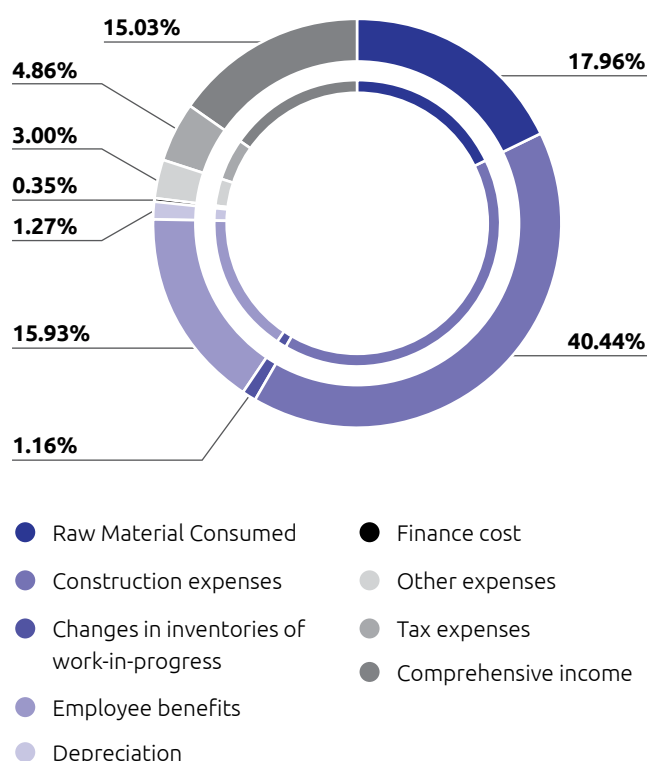
Net Worth increased by 119.29% in FY 2020-21 recording ₹ 15,340.36 Lakhs against ₹ 6,995.58 Lakhs in FY 2019-20.

Significant growth in net worth of the Company is due to increase in retaining earnings and receipt of proceeds from Initial Public Offer (IPO).

Earnings per share

Earnings per share is up from ₹ 13.80 as on March 31, 2020, to ₹ 17.05 as on March 31, 2021.

Distribution of Income:



Key Ratios

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations 2018, the Company is required to provide details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefor. The key financial ratios are given below:

Ratios	FY 2020-21	FY 2019-20
Debtors Turnover (no. of days)	74.37	37.01
Inventory Turnover (no. of days)	71.48	92.50
Interest Coverage Ratio (in times)	58.22	20.62
Current Ratio (in times)	10.14	2.86
Debt Equity Ratio (in times)	0.10	0.44
Operating Profit Margin (in %)	19.27	16.48
EBITDA Margin (in %)	21.77	19.36
PAT Margin (in %)	15.21	12.52
Return on Net Worth (in %)	18.90	28.55

Return on Net Worth

Return on Net Worth is a measure of profitability of a Company expressed as a percentage of net worth. It is calculated by dividing profit after tax for the year by average capital employed during the year.

Debtors Turnover

The above ratio is used to quantify a Company's effectiveness in collecting its receivables or money owed by customers. The ratio shows how well a Company uses and manages the credit it extends to customers and how quickly that short-term debt is collected or is paid. It is calculated by dividing total revenue by average trade receivables.

Inventory Turnover

Inventory Turnover is the number of times a Company sells and replaces its inventory during a period. It is calculated by dividing total revenue by average inventory.

Current Ratio

The Current Ratio is a liquidity ratio that measures a Company's ability to pay short-term obligations or those due within one year. It is calculated by dividing the current assets by current liabilities.

Management Outlook

The Company is one of the leading companies in its industry space with over 20 years of experience, presently working with major Oil & Gas companies across India. Oil & Gas The Company is planning to expand the capacity to execute work of laying Oil & Gas pipelines above 400 kms per year. In view of the PNGRB (Petroleum and Natural Gas Regulatory Board) expansion plan, the Company is gearing up to increase its presence across the country by the end of 2022. The Company is planning to increase O&M services with the expertise gained over the years as this would be the key aspect in the future as the Government is currently focusing to create CGD facilities to over 70% of the cities in coming years.

Risk Management

The company operates in a dynamic environment and is exposed to a variety of risks which can affect the business continuity. The Company's risk management assessments, policies and processes are established to identify, analyse and monitor the risks that might occur. The policies and company activities are reviewed regularly by the Board of Directors, Risk Management Committee and Audit Committee according to the changes in market conditions.

Risks	Description	Mitigation
Regulatory regime	The Complex nature of infrastructure projects includes interference with various regulators/authorities throughout the project life cycle, making them especially vulnerable to regulatory action. Failure to comply with these requirements may result in liability.	<p>The regulatory compliance such as site permissions, clearances from the Governments, local bodies and other such associated compliance responsibility will be on the client.</p> <p>The Company also has a regulatory compliance review mechanism in place through which Company reviews the applicability of laws and regulations and complies on a real time basis.</p>
Client concentration risk	The Company is deriving significant portion of orders from major Oil & Gas distribution companies. Any adverse development will affect the operations.	The Company is constantly expanding the client base by enhancing required qualifications along with maintaining excellent client relationship.
Liquidity Risk	Liquidity risk is that the Company might be unable to meet its financial obligations.	The Company has strong financial background through which it meets its financial requirements on timely basis. Management regularly reviews the financial obligations and ensures to meet them in time.



Risks	Description	Mitigation
Competition risk	The Company might face competitive risks from other players in the market depending on the size, nature, and complexity of the project.	<p>Technical and financial qualification of the Company would be one of the major criteria in determining the eligibility for the project.</p> <p>The Company is constantly enhancing technical and financial aspects along with performance, quality, timely completion of the projects and technical qualifications which provides edge over competitors.</p>
Human Resource Risk	The Company depends on heavy manpower and shortage would adversely impact the operations of the Company.	The Company has adequate resources on permanent basis and would constantly scale resources based on the requirements of the projects from time to time.
Health and Safety	Execution of the projects would involve occupational risks and associated compliances.	<p>The Company periodically conducts training/awareness programmes educating employees on health and safety standards.</p> <p>Management periodically conducts review meetings to assess the safety standards and take measures as required.</p>

Internal Controls and its adequacy

The Company has strong internal control procedures commensurate with size and operations. Internal control system ensures that all assets are safeguarded and protected against loss from unauthorized use or disposition and that transactions are authorized, recorded and reported correctly.

The Company's internal control systems are further supplemented to internal audit which carries out extensive audit throughout the year, across all functional areas and submits its reports to Management and Audit Committee about the compliance with internal controls and efficiency and effectiveness of operations and key processes risks.

The Company has clearly laid down policies, guidelines and procedures which form part of its internal control system. The Company's internal control system is designed to ensure management efficiency, measurability and verifiability, reliability of accounting and management information, compliance with all applicable laws and regulations, and the protection of the Company's assets. This is to timely identify and manage the Company's risks (operational, compliance-related, economic and financial).

The Audit Committee of the Company consists of independent directors who possess expert knowledge and vast experience in the field of their area of operations. They periodically review accounting records and various statements prepared by the Accounts Department. They advise the senior management of the Company for any precautionary steps to be taken as required from time to time. During the year, the Audit Committee reviewed the internal control mechanisms of the Company and initiated necessary follow-up actions thereon.

Human Resources

The Company always considers its human resource as the key to achieve its objectives. HR and Operations team discusses all strategies with senior management to attract talent and enhance various capabilities. Management empowers, inspires, and motivates all the employees to achieve higher levels of performance. The unflinching commitment of our employees is the driving force behind fulfilling the Company's vision.

The company continued to stay focused on the health and wellbeing of its employees during this challenging year through multiple measures such as distribution of rapid test kits when required, setting up of quarantine facilities, assistance and financial aid to the employees who has tested positive. The company took various initiatives to keep the employees engaged with virtual meetings to maintain constant productivity.

Cautionary Statement

This report may contain certain statements that the Company believes are or may be considered to be 'forward looking statements' which are subject to certain risks and uncertainties. These estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, in order that the statements reflect, in a true and fair manner, the state of affairs and profits for the year. Actual results may differ materially from those expressed or implied. Significant factors that could influence the Company's operations include government regulations, tax regimes, market access related regulatory compliances, patent laws and domestic and international fiscal policies.



BOARD'S REPORT

Dear Shareholders,

The Board of Directors ("Board") of Likhitha Infrastructure Limited ("Company" or "LIL") with immense pleasure present the 22nd Annual Report together with the audited financial statements of the Company for the financial year (FY) ended March 31, 2021.

FINANCIAL PERFORMANCE

The audited financial statements of your Company as on March 31, 2021, prepared in accordance with the relevant applicable IND AS and Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and provisions of the Companies Act, 2013, forms part of this Annual Report.

The summary of the audited financial results i.e., Statement of Profit and Loss for the year ended March 31, 2021, of the Company is as follows:

(Amount in Lakhs)

Particulars	2020-21	2019-20
Revenue from Operation	19,062.17	16,123.83
Other Income	231.54	155.19
Total Income	19,293.71	16,279.02
EBITDA	4,149.99	3,132.34
Less: Finance costs	67.06	136.40
Less: Depreciation and Amortisation Expenses	245.58	309.38
Profit before prior period items	3,837.35	2,676.56
Prior period items	--	--
Profit before tax	3,837.35	2,676.56
Less: Current Tax	949.61	732.22
Add: Deferred Tax Asset	11.23	73.97
Profit Available for appropriations/Loss	2,898.97	2,018.32
Basic Earnings per Share (₹)	17.05	13.80
Diluted Earnings per Share (₹)	17.05	13.80
Paid up share capital (face value of ₹ 10 each)	19,72,50,000	14,62,50,000
Reserves and Surplus	13,367.86	5,533.08

RESULTS OF OPERATIONS AND STATE OF AFFAIRS OF THE COMPANY:

The key aspects of your Company's performance during the financial year 2020-21 are as follows:

Financial Highlights

- For FY 2020-21, Revenue from Operations increased by 18.22% Y-o-Y to ₹ 190.62/- Crores vs ₹ 161.23 Crores.
- For FY 2020-21, operating EBITDA also increased by 32.91% Y-o-Y to ₹ 41.50 Cr. vs ₹ 31.22 Cr.
- For FY 2020-21, PAT also increased by 43.63% Y-o-Y to ₹ 28.98 Crores vs ₹ 20.18 Crores.

CHANGE IN NAME OF THE COMPANY

During the year under review, there was no change in the name of the Company.

DIVIDEND / APPROPRIATION TO RESERVES

Your directors recommended a dividend of 15% (₹ 1.50/- per Equity Share of ₹ 10/- each) out of the profits of the Company for the FY 2020-21. The said dividend, if approved by the shareholders, would involve a cash outflow of ₹ 2.96 Crores including tax thereon.

The Dividend Distribution Policy of the Company is set out as **Annexure- IX** to this report and the same is uploaded on the Company's website at <http://likhitha.co.in/investors.html>.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provision of Section 125 of Companies Act, 2013 is not applicable as the Company did not declare any dividend.

DEPOSITS

During the year under review, the Company has not accepted any fixed deposits within the meaning of Section 73 of the Companies Act, 2013 and the rules made there under.

CHANGE IN THE NATURE OF BUSINESS

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

SHIFTING OF REGISTERED OFFICE

The Registered Office of the Company has been shifted within the local limits of the city from Flat No. 701, Plot No. 8-3-940 and 8-3-94/A to E, Tirumala Shah Residency, Yellareddy Guda, Ameerpet, Hyderabad, Telangana- 500 073 to **8-3-323, 9th Floor, Vasavi's MPM Grand, Ameerpet 'X' roads, Yellareddy Guda, Hyderabad, Telangana- 500073** w.e.f. October 31, 2020.

SHARE CAPITAL

As on March 31, 2021, the Authorised Share Capital of the Company is ₹ 20,00,00,000/- (Rupees Twenty Crores Only) divided into 2,00,00,000 (Two Crores Only) Equity Shares of ₹ 10/- (Rupees Ten Only) each. The paid-up share capital is ₹ 19,72,50,000/- (Rupees Nineteen Crore Seventy-Two Lakh Fifty Thousand Only) divided into 1,97,25,000/- (One Crore Ninety-Seven Lakh Twenty-Five Thousand Only) of ₹ 10/- (Rupees Ten Only) each.

Listing of Equity Shares

Pursuant to provisions of Companies Act, 2013, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and other rules and regulations as applicable and upon receipt of regulatory approvals, Company has allotted 51,00,000 (Fifty-One Lakhs Only) Equity Shares issued through Initial Public Offer (IPO).

The securities of the Company are listed on the BSE Limited and National Stock Exchange of India Limited on October 15, 2020. Further, the Company has no equity shares carrying differential voting rights.

The Company has utilised the proceeds of the Initial Public Offer (IPO) for the purpose for which funds have been raised. As on March 31, 2021, there was an unutilized amount of ₹ 42.65 Lakhs for the payment of commissions and brokerages to ASBA brokers. There was no deviations in the utilization of proceeds of IPO.

MATERIAL CHANGES AFFECTING THE COMPANY (AFTER CLOSURE OF FINANCIAL YEAR)

Covid-19 Pandemic

Due to outbreak of Covid-19 globally and in India, the Company's management has made initial assessment of likely

adverse impact on business and financial risks on account of Covid-19, and that the management does not see any medium to long term risks in the Company's ability to continue as a going concern and meeting its liabilities and compliance with the project timelines, as applicable.

There was all-round lock-down imposed by the Government of India on pandemic situation due to COVID-19 which impacted the operations for the months of March, April and May 2020. Thereafter, operations of the projects have started in slow phase due to non-attendance of employees on various apprehensions of pandemic situation. However, during the second quarter, the Company could be able to resume the operations at all sites.

The Company may not have any impact due to delay in execution of contracts as all the Contractees have extended the period of contracts as per the directions of the Government of India. However, due to this pandemic situation the expenses are expected to increase as the Company needs to take-up various measures such as regular tests and providing medical facilities to the workmen.

Other than the above, no material changes happened after the closure of financial year which have any significant influence on the financial statements of the Company.

Please see the changes in directors and auditors' sections below for the changes occurred subsequent to the closure of the financial year.

BUSINESS RESPONSIBILITY REPORT:

Pursuant to Clause 34(2)(F) of the SEBI (LODR) Regulations, 2015, Business Responsibility Report, being applicable to the Company, forms part of the Board Report as **Annexure-VII**.

MANAGEMENT AND DISCUSSION ANALYSIS

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

CONSOLIDATED FINANCIAL STATEMENTS

The Company is not statutorily required to be in compliance with the requirements of "Consolidated Financial Statements" disclosure.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- In preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;



- ii. The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- iii. The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv. The directors have prepared the annual accounts on a going concern basis;
- v. 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;

- vi. The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and effective.

Further, there are no more qualifications, reservations or adverse remarks made by the statutory auditor/secretarial auditor in their respective reports.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

As on March 31, 2021, the Board consists of Seven (07) Directors including three (03) Independent Directors, three (03) Non-Independent Non-Executive Directors and One (01) Executive Director. None of the Directors on the Board are disqualified under the provisions of the Companies Act, 2013.

Further Ms. Jayashree Voruganty was co-opted as Additional Director (Independent Director) of the Company with effect from April 10, 2021.

The following are the changes that occurred in the composition of the Board and Key Managerial Personnel from April 1, 2020, till the date of this report.

S. No	Name of Director	Details of the Change
1	Sekhar Narasimha Narahari	<ul style="list-style-type: none"> Resigned from the position of Chief Financial Officer of the Company with effect from June 25, 2020.
2	Sambasiva Rao Ketineni	<ul style="list-style-type: none"> Appointed as Chief Financial Officer of the Company with effect from June 25, 2020.
3	Jnanindra Kumar Dhar	<ul style="list-style-type: none"> Resigned from the position of Independent Director w.e.f. November 02, 2020.
4	Venkatram Arigapudi	<ul style="list-style-type: none"> Co-opted as Additional Director (Independent Category) w.e.f. October 31, 2020. He is proposed for appointment as Director (Independent Category) at the ensuing Annual General Meeting. In the opinion of the Board of Directors, he possesses relevant experience, expertise and knowledge required for the position of Independent Director.
5	Jayashree Voruganty	<ul style="list-style-type: none"> Co-opted as Additional Women Director (Independent Category) w.e.f. April 10, 2021. She is proposed for appointment as Director (Independent Category) at the ensuing Annual General Meeting. In the opinion of the Board of Directors, she possesses relevant experience, expertise and knowledge required for the position of Independent Director.

Retirement by Rotation

Mrs. Srilakshmi Gaddipati (DIN: 02250598), Non-Executive Director will retire by rotation at the ensuing Annual General Meeting. Being eligible, she offers herself for re-appointment.

Personnel of the Company in accordance with the provisions of Section(s) 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managing Personnel) Rules, 2014.

Key Managerial Personnel

Mr. Srinivasa Rao Gaddipati, Managing Director, Mr. Sambasiva Rao Ketineni, Chief Financial Officer, Mr. Sudhanshu Shekhar, Chief Executive Officer and Mr. Santhosh Kumar Gunemoni, Company Secretary and Compliance Officer are Key Managerial

Meetings of the Board

During the year, 12 (Twelve) Board Meetings were properly convened, constituted and conducted as per the Standards as forth in the **Secretarial Standard – I**. The maximum gap between two consecutive board meetings was within the period of 120 days as prescribed under the provisions of the Companies Act, 2013.

The below tabulated dates are the dates of the meetings of the Board of Directors:

14.05.2020	25.06.2020	04.07.2020	01.08.2020	08.09.2020	17.09.2020
08.10.2020	12.10.2020	31.10.2020	10.11.2020	18.01.2021	04.02.2021

INDEPENDENT DIRECTORS' DECLARATION

Each of the Independent Directors of the Company have submitted declaration, pursuant to Section 149(7) of the Companies Act, 2013 ("the Act"), stating that they meet the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013.

COMMITTEES OF BOARD:

As on March 31, 2021, the Board constituted the Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility (CSR) Committee, Stakeholder Relationship Committee, and Initial Public Offer Committee. A detailed note on the composition of the Board and its committees is provided in the Corporate Governance Report.

A Risk Management Committee has been constituted by the Board of Directors as per the terms of Regulation 21 of SEBI (LODR) Regulations, 2015 to monitor and review the major risks faced by and the risk management plan of the Company periodically.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The Nomination and Remuneration Committee has adopted a policy as per Section 178(3) of the Companies Act, 2013 for determination of remuneration and the manner of selection of the Board of Directors, Managing Director, Chief Executive Office, Chief Financial Officer and Company Secretary and their remuneration.

Criteria for selection of Non-Executive Director

- The Non-Executive Directors shall be of high integrity with relevant expertise and experience in the fields of Service Industry, Manufacturing, Marketing, Finance and Taxation, Law, Governance and General Management.
- In case of appointment of independent directors, the committee shall satisfy itself with regard to the criteria of independence of the directors vis-à-vis the company so as to enable the board to discharge its function and duties effectively.
- The committee shall ensure that the candidate identified for appointment as a director is not disqualified for appointment under Section 164 of the Companies Act, 2013.
- The committee shall consider the following attributes, whilst recommending to the board the candidature for appointment as director:
 - Qualification, expertise and experience of the directors in their respective fields;
 - Personal, professional or business standing;

- Diversity of the Board;
- In case of re-appointment of Non-Executive Directors, the Board shall take into consideration the performance evaluation of the Directors and their engagement level;

Remuneration

The Non-Executive Directors shall not be entitled to receive remuneration except by way of sitting fees, reimbursement of expenses for participation in the board/committee meetings and commission, if any, as approved by the Board of Directors. The independent directors of the company shall not be entitled to participate in the Stock Option Scheme of the company. The aggregate commission payable if any to the Non-Executive Directors will be within the statutory limits.

Criteria for selection/appointment of Managing Director, Executive Director, (CEO, CFO and CS)

For the purpose of selection of the Managing Director, Chief Executive Office, Chief Financial Officer and Company Secretary the Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position.

The Committee will also ensure that the incumbent fulfils such other criteria with regard to age and other qualifications as laid down under Companies Act, 2013, or other applicable laws.

Remuneration to Managing Director and Executive Director

- At the time of appointment or re-appointment, the Executive Director and Managing Director shall be paid such remuneration as may be mutually agreed between the Company (which includes the Committee and the Board of Directors) and the Executive Director/ Managing Director, within the overall limits prescribed under the Companies Act, 2013.
- The remuneration shall be subject to the approval of the members of the Company in General Meeting in compliance with the provisions of the Companies Act, 2013.

Remuneration Policy for the Senior Management Employees including CEO, CFO & CS

In determining the remuneration of Senior Management Employees, the committee shall ensure/consider the following:

- The relationship between remuneration and performance benchmark;
- The balance between fixed and variable pay reflecting short and long-term performance appropriate to the working of the company and its goals, as mutually agreed.

The policy relating to remuneration of Directors, Key Managerial Personnel, Senior Management and other employees is



available on the website of the Company http://likhitha.co.in/img/content/policies/Nomination_and_Remuneration_Policy.pdf

BOARD EVALUATION AND ASSESSMENT

The Board of Directors has carried out an annual evaluation of its own performance, Board committees and individual Directors pursuant to the provisions of the Sections 134, 178 and Schedule IV of the Companies Act, 2013. Evaluation was done after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, performance of specific duties, independence, ethics and values, attendance and contribution at meetings etc.

The performance of the Independent Directors was evaluated individually by the Board after seeking inputs from all the directors on the effectiveness and contribution of the Independent Directors.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members based on the criteria such as the composition of Committees, effectiveness of Committee meetings, etc.

The Board reviewed the performance of the individual Directors on the basis of the contribution of the individual Director during Board and Committee meetings.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, and the performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors. The Independent Directors also assessed the quality, frequency and timeliness of flow of information between the Board and the management that is necessary for effective performance.

CORPORATE GOVERNANCE

Your company will continue to uphold the true spirit of Corporate Governance and implement the best governance practices. A report on Corporate Governance pursuant to the provisions of Corporate Governance Code stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is enclosed as **Annexure- VIII**. Full details of the various board committees are also provided therein along with Secretarial Auditors' Certificate regarding compliance of conditions of corporate governance.

AUDITORS AND AUDITORS' REPORT

Statutory Auditors:

M/s. NSVR & Associates LLP are appointed as the statutory Auditors of the Company with effect from September 30,

2019, till the conclusion of 25th Annual General Meeting of the Company. They have confirmed their eligibility for the financial year 2021-22 under Section 141 of the Companies Act, 2013 and the Rules framed thereunder.

Internal Auditors:

M/s. Mukul Tyagi & Associates, Chartered Accountants, New Delhi was appointed as Internal Auditor of the Company for the FY 2020-21. The Board has re-appointed the firm as Internal Auditor for the FY 2021-22.

Secretarial Auditors:

M/s. VCAN & Associates, Partnership Firm, Practising Company Secretaries, Hyderabad was appointed as Secretarial Auditors of the Company for the FY 2020-21. The Board has re-appointed the firm as Secretarial Auditors for the FY 2021-22.

M/s. VCAN & Associates, Practising Company Secretaries were conducted the Secretarial Audit for FY 2020-21 and the Secretarial Audit Report, in form **MR-3**, forms part of this Report as **Annexure-VI**.

QUALIFICATIONS IN AUDITORS REPORT:

COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMERS:

Statutory Auditors:

As there is no qualification, reservation or adverse remark in the reports given by the Internal Auditors and Statutory Auditors, your directors need not provide any clarification on the same.

Internal Audit Report:

There are no qualifications or adverse observations in the Internal Audit Report issued by the Internal Auditors for the financial year ended March 31, 2021.

Secretarial Audit Report:

There are no qualifications or adverse observation in the Secretarial Audit Report issued by the Secretarial Auditors for the financial year ended March 31, 2021.

SECRETARIAL STANDARDS

The Company confirms compliance with the requirements of Secretarial Standard I and Secretarial Standard II.

RISK MANAGEMENT

Pursuant to Regulation 21(4) of SEBI (LODR) Regulations, 2015, the Board of Directors has formulated and implemented a

Risk Management Policy which identifies various elements of risks, which, in its opinion, may threaten the existence of the Company and contains measures to mitigate the same. The Risk Management Policy of the Company is posted on the Company's website: www.likhitha.co.in.

A Risk Management Committee has been constituted as per the terms of Regulation 21 of SEBI (LODR) Regulations, 2015 to monitor and review the major risks faced by and the risk management plan of the Company periodically.

ANNUAL RETURN

In accordance with Section 134(3)(a) of the Companies Act, 2013, an extract of the Annual Return of the company for the financial year ended 31st March, 2021 is enclosed as "**Annexure-I**".

The extract of the Annual Return of the company is also hosted on the company's website at <http://likhitha.co.in/investors.html>.

HOLDING, SUBSIDIARIES, ASSOCIATE COMPANIES AND JOINT VENTURES

During the period under review, Company has no subsidiaries or Associate Companies or Joint ventures.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts / arrangements / transactions entered by the Company during the FY 2020-21 with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. The details of the related party transactions entered into during the year are given in form AOC-2 as "**Annexure -II**" to this report.

The Policy on related party transactions as approved by the Board may be accessed on the Company's website: <https://likhitha.co.in/>.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Board of Directors constituted Corporate Social Responsibility (CSR) Committee in accordance with the provisions of section 135 of the Companies Act, 2013. The Board on the recommendation of CSR Committee and in compliance with the policy on Corporate Social Responsibility invested the CSR Fund by contributing to activities related to promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and such other activities as specified in Schedule VII of the Companies Act, 2013. The Annual Report on CSR activities is enclosed as "**Annexure III**" to this Annual Report.

INTERNAL FINANCIAL CONTROL

The Company has laid down internal financial controls through Entity level controls inter-alia to ensure orderly and efficient conduct of business, including adherence to Company's policies and procedures, accuracy and completeness of accounting records and timely preparation and reporting of reliable financial statements/information, safeguarding of assets, prevention and detection of frauds and errors.

The Board of Directors of the Company have adopted various policies like Related Party Transactions policy, Whistle Blower Policy, code of conduct for regulating, monitoring and reporting insider trading and such other procedures for ensuring the orderly and efficient conduct of its business, prevention and detection of frauds and errors, accuracy and completeness of the accounting and timely preparation of financial information.

Based on the requirements under SEBI (Prohibition of Insider Trading) Regulations, 2015, the Board has approved the code of conduct for prohibition of insider trading and the same is being implemented by the Company. The board has appointed Mr. Santhosh Kumar Gunemoni, Company Secretary as the Compliance Officer under the code.

VIGIL MECHANISM

In pursuance to the Provisions of the Section 177(9) & (10) of the Companies Act, 2013, and Regulation 22 of SEBI (LODR) Regulations, 2015, a vigil mechanism named "LIL Whistle Blower Policy" for Directors and employees to report genuine concerns has been established. The policy on whistle mechanism can be accessed at website of the Company: <https://likhitha.co.in/>.

The policy lays down a framework and process, which provides a platform to disclose information, confidentially and without fear of reprisal or victimization, where there is reason to believe that there has been serious malpractice, fraud, impropriety, abuse or wrongdoing, grievances about leakage of unpublished price sensitive information (UPSI), illegal and unethical behaviour within the Company to the Chairman of the Audit Committee.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

During the period under review the Company has not provided any loans/ investments which come under the provisions of section 186 of the Companies Act, 2013.

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with



Rule 8 of The Companies (Accounts) Rules, 2014, is given in "Annexure -IV" to this report.

PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE POLICY

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and Redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder.

The Company has duly constituted an Internal Complaints Committee (ICC) as required under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The present composition of ICC is as under:

- | | |
|--------------------------------------|---------------------|
| 1. Mrs. Malleshwari Bekkasani | - Presiding Officer |
| 2. Mrs. Priyanka Gajji | - Member |
| 3. Mr. Venkata Prabhakar Rao Talluri | - Member |

The disclosure pertaining to Complaints are given under:

No. of Complaints received during the year	Nil
No. of Complaints disposed-off during the year	Nil
No. of Complaints pending as on end of financial year	Nil

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The information required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including amendments thereto), is attached as "Annexure V" to this Report.

HUMAN RESOURCES

The Company considers its Human Resource as the key to achieve its objectives. HR and Project Department creates all strategies along with Senior Management and Board of Directors to attract talent and build capabilities. The employees are sufficiently empowered and enabled to work in an environment

that inspires them to achieve higher levels of performance. The unflinching commitment of the employees is the driving force behind fulfilling the Company's vision. Your Company appreciates the contribution of its dedicated employees.

In this extraordinary year, company continued to stay focused on the health and wellbeing of its employees through multiple measures such as distribution of rapid test kits as when required, setting up of quarantine facilities, hospital admission assistance and financial aid to the employees who has tested positive etc. The Company took various initiatives to keep the employees productive and engaged, with virtual meetings with project managers and site engineers.

GENERAL

- I. Your directors state that no disclosure or reporting is required in respect of following items as there were no transactions on these items during the year under review:
 - a) Issue of equity shares with differential voting rights as to dividend, voting or otherwise.
 - b) Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
 - c) No significant or material orders passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
 - d) No frauds were reported by the Auditors during the year under review.
 - e) Maintenance of Cost Records as specified by the Central Government under Section 148(1) of the Companies Act, 2013 is not required by the Company.

ACKNOWLEDGEMENTS

Your directors thank the lenders, banks, financial institutions, business associates, customers, Government of India, State Governments in India, regulatory and statutory authorities, shareholders and the society at large for their valuable support and co-operation.

Your directors also thank the employees of the Company for their continued contribution, commitment and dedication.

for and on behalf of the Board
for **Likhitha Infrastructure Limited**

sd/-

Sri Lakshmi Gaddipati

Director

DIN: 02250598

sd/-

Srinivasa Rao Gaddipati

Managing Director

DIN: 01710775

Place: Hyderabad

Date: 11.06.2021

Annexure-I

FORM-MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2021

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

I. REGISTRATION AND OTHER DETAILS

i) CIN	U45200TG1998PLC029911
ii) Registration Date	August 6, 1998
iii) Name of the Company	Likhitha Infrastructure Limited
iv) Category / Sub-Category of the Company	Company limited by Shares & Indian Non-Government Company
v) Address of the Registered office and contact details	8-3-323, 9th Floor, Vasavi's MPM Grand, Ameerpet 'X' roads, Yellareddy Guda, Hyderabad, Telangana - 500073. e-mail: cs@likhitha.in Website: www.likhitha.co.in
vi) Whether listed company	Yes (The Company listed its equity shares on BSE Limited and National Stock Exchange of India Limited on October 15, 2020)
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	Bigshare Services Private Limited 306, Right Wing, 3rd Floor, Amrutha Ville, Opp. Yashoda Hospital, Somajiguda, Rajbhavan Road, Hyderabad- 500 082. Phone No:040 4014 4967, Fax: 91-04-2337 029 e-mail: bsshyd.bd@bigshareonline.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S. No	Name and description of main products/ services	NIC code of the product/ service	% of total turnover of the company
1	Laying of Gas Pipelines and associated facilities (Constructions)	9953	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES: Not applicable



IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAK UP AS PERCENTAGE OF TOTAL EQUITY)

A. Category wise Shareholding

Category of shareholder	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change During The year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual /HUF	1,42,52,875	0	1,42,52,875	97.46	1,42,52,875	0	1,42,52,875	72.26	(25.20)
b) Central Government	0	0	0	0	0	0	0	0	0
c) State Government(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corporate	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other	3,65,625	0	0	2.50	3,65,625	0	3,65,625	1.85	(0.65)
Sub-total (A) (1):-	1,46,18,500	0	1,46,18,500	99.96	1,46,18,500	0	1,46,18,500	74.11	(25.85)
(2) Foreign									
a) NRIs- Individuals	0	0	0	0	0	0	0	0	0
b) Other- Individuals	0	0	0	0	0	0	0	0	0
c) Any Other	0	0	0	0	0	0	0	0	0
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A)= (A) (1) + (A) (2)	1,46,18,500	0	1,46,18,500	99.96	1,46,18,500	0	1,46,18,500	74.11	25.85
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Foreign Portfolio Investors	0	0	0	0	18,202	0	18,202	0.09	0.09
d) Central Government	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	0	0	0	18,202	0	18,202	0.09	0.09
2. Non-Institutions									
a) Bodies Corporate									
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh/ 2 lakhs	6,500	0	6,500	0.04	22,34,932	0	2,34,932	11.33	11.29
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh/ 2 lakhs	0	0	0	0	15,42,821	0	15,42,821	7.83	7.83
c) Others (NBFC Registered with RBI)	0	0	0	0	0	0	0	0	0
d) Any other	0	0	0	0	11,19,621	0	11,19,621	5.68	5.68
Clearing Members	0	0	0	0	1,21,107	0	1,21,107	0.61	0.61
Non-Resident Indians	0	0	0	0	69,817	0	69,817	0.35	0.35
Sub-total (B)(2):-	6,500	0	6,500	0.04	51,06,500	0	51,06,500	25.89	25.85
Total Public Shareholding (B)=(B)(1) + (B) (2)									
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	1,46,25,000	0	1,46,25,000	100	1,97,25,000	0	1,97,25,000	100	0

Note: The change in the paid-up share capital is due to issue of 51,00,000 Equity Shares through Initial Public Offer during the FY 2020-21.

B. Shareholding of Promoters

S. No.	Shareholders' Name	Shareholding at the beginning of the year			Shareholding at the end of the year			%change during the year
		No. of shares	% of total Shares of the company	% of shares pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of shares pledged / encumbered to total shares	
1	Mr. Srinivasa Rao Gaddipati	1,42,51,250	97.45	0	1,42,51,250	72.25	0	(25.2)
2	Mrs. Likhitha Gaddipati	1,625	0.01	0	1,625	0.01	0	0
3	Mrs. Sri Lakshmi Gaddipati*	3,65,625	2.50	0	3,65,625	1.85	0	(0.65)

* Mrs. Sri Lakshmi Gaddipati relative of promoters and forms part of promoter group.

C. Change in Promoter Shareholding*

S. No.	Shareholders' Name	Shareholding at the beginning of the year		Shareholding at the end of the year		Increase/decrease in the shareholding during the year
		No. of shares	% of total shares of the company	No. of Shares	% of total shares of the company	
1	Mr. Srinivasa Gaddipati	1,42,51,250	97.45	1,42,51,250	72.25	(25.20)
2	Mrs. Likhitha Gaddipati	1,625	0.01	1,625	0.01	--
3	Mrs. Sri Lakshmi Gaddipati	3,65,625	2.5	3,65,625	1.85	(0.65)

* The dilution in the percentage of shareholding is due to allotment of 51,00,000 Equity Shares issued through Initial Public Offer

D. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

S. No.	Name of the Share holder	Shareholding at the beginning of the year April 01, 2020		Cumulative Shareholding at the end of the year March 31, 2021	
		No. of shares	% of total shares of the Company	No. of Shares	% of total shares of the company
1	Het Finance Private Limited	Nil	Nil	6,00,000	3.04
2	Padam Chand Mehta	Nil	Nil	3,10,000	1.57
3	Ghanshyam Bachubhai Wadiwala	Nil	Nil	2,38,317	1.21
4	Mona Laroia	Nil	Nil	1,50,000	0.76
5	Mehta Mamta Mehulbhai	Nil	Nil	1,00,000	0.51
6	Shah Amar Mukeshkumar HUF	Nil	Nil	95,866	0.49
7	Hsquare Globetrade LLP	Nil	Nil	70,000	0.35
8	Amar Mukeshbhai Shah	Nil	Nil	62,063	0.31
9	Hiral Amarkumar Shah	Nil	Nil	54,685	0.28
10	Naman Jayeshbhai Shah	Nil	Nil	50,000	0.25
11	Shah Babulal Vadilal HUF	Nil	Nil	50,000	0.25



E. Shareholding of Directors and Key Managerial Personnel

S. No.	Particulars	Shareholding at the beginning of the year		Increase/ decrease in the shareholding during the year	Shareholding at the end of the year	
		No. of shares	% of total shares of the company		No. of Shares	% of total shares of the company
1	Mr. Srinivasa Gaddipati Managing Director	1,42,51,250	97.45	NIL	1,42,51,250	72.25
2	Mrs. Sri Lakshmi Gaddipati Non-Executive Director	3,65,625	2.5	NIL	3,65,625	1.85
3	Mrs. Likhitha Gaddipati Non- Executive Director	1,625	0.01	NIL	1,625	0.01
4	Mr. Sudhanshu Shekhar Chief Executive Officer	NIL	NIL	4,812	4,812	0.02

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment (As per Ind AS).

(₹ in Lakhs)

	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	234.50	-	-	234.50
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not paid	-	-	-	-
Total (i)+(ii)+(iii)	234.50	-	-	234.50
Change in indebtedness during the financial year				
Addition	-	-	-	-
Reduction	217.95	-	-	217.95
Net change indebtedness	217.95	-	-	217.95
Indebtedness at the end of the financial year				
i) Principal Amount	16.55	-	-	16.55
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not paid	-	-	-	-
Total (i)+(ii)+(iii)	16.55	-	-	16.55

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Director and/or Manager.

(₹ in Lakhs)

S. No.	Particulars of Remuneration	Srinivasa Rao Gaddipati (Managing Director)	Total
1	Gross Salary		
	(a) Salary as per provisions contained in section 17(1) of Income Tax Act, 1961	360.00	360.00
	(b) Value of perquisite u/s 17(2) of Income Tax Act, 1961	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) of Income Tax Act, 1961	Nil	Nil
2	Stock Option	Nil	Nil
3	Sweat Equity	Nil	Nil
4	Commission	Nil	Nil
	– as 2 % of profit		
	- Others, specify		
5	Others, please specify	Nil	Nil
	Total (A)	360.00	360.00
	Ceiling as per the Act	-	-

B. Remuneration to other directors:

(₹ in Lakhs)

S. No.	Particulars of Remuneration	Name of the Director	Total Amount
1	Sitting Fee	1. Sivasankara Parameswara Kurup Pillai	2.40
		2. Talpa Sai Venkata Sesha Munupalle	1.80
		3. Jnanindra Kumar Dhar	0.50
		4. Venkatram Arigapudi	0.40
	Total		5.10

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

(₹ in Lakhs)

S. No.	Particulars of Remuneration	Sekhar Narasimha Narahari	Sambasiva Rao Ketineni (Chief Financial Officer)	Sudhanshu Shekhar (Chief Executive Officer)	Santhosh Kumar G (Whole Time Company Secretary)	Total
1	Gross Salary					
	(a) Salary as per provisions contained in section 17(1) of Income Tax Act, 1961	1.33	1.10	16.12	4.44	22.99
	(b) Value of perquisite u/s 17(2) of Income Tax Act, 1961	Nil	Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) of Income Tax Act, 1961	Nil	Nil	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil	Nil
4	Commission – as 2 % of profit - Others, specify	Nil	Nil	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil	Nil	Nil
	Total (A)	1.33	1.10	16.12	4.44	22.99
	Ceiling as per the Act	-	-	-	-	-

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of Companies Act	Brief Description	Details of penalty/punishment/compounding fees imposed	Authority (RD/NCLT/ Court)	Appeal Made, if any (give details)
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

 For and on behalf of the Board
 for **Likhitha Infrastructure Limited**

sd/-

Sri Lakshmi Gaddipati

Director

DIN: 02250598

sd/-

Srinivasa Rao Gaddipati

Managing Director

DIN: 01710775

Place: Hyderabad

Date: 11.06.2021



Annexure-II

FORM NO. AOC -2

(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)

[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

There are no contracts or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 which are not at arm's length basis.

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

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

(₹ in Lakhs)						
Name of Related Party	Nature of Relationship	Nature of Related Party Transaction	Duration of contract	Salient Terms, if any.	Date of Approval of Board, if any.	Amount of transaction (For FY 2020-21)
Srinivasa Rao Gaddipati	Managing Director	Remuneration and Commission	As per the terms of appointment	Not applicable	12.02.2019	360.00
Kutumba Rao Gaddipati	Relative of Director	Rent	As per the terms of agreement	Not applicable	09.01.2020	1.51
Srinivasa Rao Gaddipati	Managing Director	Rent	On going	Not applicable	31.10.2020	15.75

for and on behalf of the Board
for **Likhitha Infrastructure Limited**

Place: Hyderabad
Date: 11.06.2021

sd/-
Sri Lakshmi Gaddipati
Director
DIN: 02250598

sd/-
Srinivasa Rao Gaddipati
Managing Director
DIN: 01710775

Annexure-III

ANNUAL REPORT ON CSR ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended.]

1. A brief outline of the company's CSR policy

The Company has been focusing on sustainable business practices encompassing economic, environmental and social imperatives that not only cover business, but also the communities around us. We focus on our social and environmental responsibilities to fulfil the needs and expectations of the communities around us. Our Corporate Social Responsibility Policy ("CSR") policy aims to provide a dedicated approach to the development of community around us in the areas of health care including preventive health care and sanitation, promoting education and employment enhancing vocation skills, empowerment of women and rural areas development.

2. Composition of CSR Committee

S. No.	Name of the Director	Designation/Nature of Directorship	Number of CSR Meeting held during the year	Number of meetings attended by Committee members
1	Mr. Srinivasa Rao Gaddipati	Chairman (Managing Director)	2	2
2	Mrs. Sri Lakshmi Gaddipati	Member (Non- Executive Director)	2	0
3	Mr. Sivasankara Parameswara Kurup Pillai	Member (Non- Executive Independent Director)	2	2

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:

- The web link to the composition of CSR Committee is available at <http://likhitha.co.in/investors.html>
- The web link to the CSR policy is available at http://likhitha.co.in/img/content/policies/CSR_Policy.pdf
- The web link to the projects/Annual Report of activities as approved by the Board of Directors is available at <http://likhitha.co.in/investors.html>

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: 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 ₹)	Amount required to be set-off for the Financial Year, if any (in ₹)
1	2017-18	-	-
2	2018-19	-	-
3	2019-20	-	-


6. Average Net Profit of the Company as per Section 135(5) of the Act: ₹ 2099.68 Lakhs

7. a. Two percent of average net profit of the Company as per Section 135(5) of the Act for the Financial Year 2020-21:
₹ 41.99 Lakhs

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: Not applicable

d. Total CSR obligation for the Financial Year (a+b-c): ₹ 41.99 Lakhs

8. a. CSR Amount spent or unspent for the Financial Year (in ₹)

Total amount spent	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per section 135(6) of the Act		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5) of the Act		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 42.00 Lakhs	--	--	NA	--	NA

b. Details of CSR amount spent against ongoing projects for the Financial Year: Refer Annexure- IIIA

c. Details of CSR amount spent against other than ongoing projects for the Financial Year: Not applicable

d. Amount spent in Administrative Overheads: --

e. Total Amount spent on Impact Assessment, if applicable: Not applicable

f. Total amount spent for the Financial Year: ₹ 42.00 Lakhs

g. Excess Amount for set off, if any

S. No.	Particulars	Amount (₹)
1	Two percent of average Net Profit of the Company as per Section 135(5) of the Act	41.99 Lakhs
2	Total amount spent for the Financial Year	42.00 Lakhs
3	Excess amount spent for the Financial Year [(ii)-(i)]	0.01 Lakhs
4	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	--
5	Amount payable for set off in succeeding financial years [(iii)-(iv)]	--

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: Not applicable

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) of the Act:
Not applicable

(₹ in Lakhs)

S. No.	Name of Projects	Item from the list of activities in Schedule VII to the Act	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) for projects or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct Expenditure on projects or programs (2) Overheads	Amount transferred to Unspent CSR Account for the project as per Section 135(6)	Mode of implantation-Direct (Yes/No)	Mode of implementation – Through implementing agency	
								Name	CSR Registration
1	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;	(ii)	Hyderabad, Telangana	42.00	42.00	--	No	Radiant Institute of Technology	CSR00004515
Total				42.00					

Responsibility Statement: The CSR Committee confirms that the implementation and monitoring of the Company's CSR policy in compliance with the CSR Policy and objectives of the Company.

For and on behalf of the Board
 for **Likhitha Infrastructure Limited**

Place: Hyderabad
 Date: 11.06.2021

sd/-
Sri Lakshmi Gaddipati
 Director
 DIN: 02250598

sd/-
Srinivasa Rao Gaddipati
 Managing Director
 DIN: 01710775



Annexure-IV

PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO REQUIRED UNDER THE COMPANIES (ACCOUNTS) RULES, 2014

(A) Conservation of energy-

- (i) The steps taken or impact on conservation of energy; - NIL
- (ii) The steps taken by the company for utilizing alternate sources of energy; -NIL
- (iii) The capital investment on energy conservation equipment's; -NIL

(B) Technology absorption-

- (i) The efforts made towards technology absorption : NIL
- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution: NIL
- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) - N.A.
- (iv) The expenditure incurred on Research and Development : NIL

(C) Foreign exchange earnings and Outgo-

Particulars	(Amount in INR)	
	As on 31.03.2021	As on 31.03.2020
Expenditure in Foreign Currency (Material)	1,47,612.54	16,74,394

for and on behalf of the Board
for **Likhitha Infrastructure Limited**

Place: Hyderabad
Date: 11.06.2021

sd/-
Sri Lakshmi Gaddipati
Director
DIN: 02250598

sd/-
Srinivasa Rao Gaddipati
Managing Director
DIN: 01710775

Annexure-V

PARTICULARS OF EMPLOYEES

A. Information relating to remuneration of Directors / Key Managerial Personnel as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year and the percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary, or Manager, if any, in the Financial Year:

Name of the Directors & KMP	Ratio to median	% increase/(decrease) in remuneration
Srinivasa Rao Gaddipati Managing Director	114:1	No change
Sudhanshu Shekhar Chief Executive Officer	5.13:1	25%
Sambasiva Rao Ketineni Chief Financial Officer	0.35:1	NA
Santhosh Kumar Gunemoni Company Secretary and Compliance Officer	1.40:1	5%
Sekhar Narasimha Narahari* Chief Financial Officer	0.42:1	NA

*Re-designated from the position of Chief Financial Officer to Manager w.e.f. 25.06.2020

2. The percentage increase in the median remuneration of employees in the Financial Year: 5%
3. The number of permanent employees on the rolls of Company: 402
4. Average percentile increases already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The percentage increase in the salaries of employees other than Managerial Personnel in Financial Year 2020-21 was 4.8%. The increments given to employees are based on their potential, performance and contribution, which are benchmarked against applicable Industry norms.

5. 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, applicable for Directors, Key Managerial Personnel and other employees, adopted by the Company.



B. Information relating to remuneration of Directors / Key Managerial Personnel as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(Amount in Lakhs)

S. No.	Employee name	Designation	Educational qualification	Age (Years)	Experience	Date of Joining	Gross Remuneration Paid (Amount in INR)	Previous employment and designation, If any	No. Shares held, If any	Whether relative to director or manager
1	Srinivasa Rao Gaddipati	Managing Director	S.S.C.	57	30+ Years	06.08.1998	360.00	NA	1,42,51,250	Yes
2	P.K. Chakorborty	Vice President	B E (Mech) & MBA	53	30+Years	15.03.16	17.52	Cairn India Limited through Brunel (Senior Inspection Engineer)	2,320	No
3	Sudhanshu Shekhar	Chief Executive Officer	B E (Mech) & MBA	40	18 Years	12.02.18	16.12	Natural Gas & Water Pipeline Projects and City Gas Distribution Projects (Contractor)	4,812	No
4	Md. Sarfaraz Alam	Project Manager	Diploma (Mech)	41	20+ Years	01.02.17	14.33	Not available	125	No
5	Pardip Kumar Singh	RCM	B E (Mechanical)	44	22 Yeas	24.09.2019	13.70	Punj Lioyd (OMAN)	-	No
6	M. Srinivasa Sudhakar	Sr Project Manager	Diploma (Mech)	42	20+ Years	14.11.18	13.32	VCS Quality Services (India) Private Limited	-	No
7	Binay Kumar Dubey	Incharge QA/ QC	B Tech	40	19 Years	04.05.16	9.82	Mott MacDonald Private Limited (Spread Incharge)	-	No
8	Santosh Singh	Spread In-Charge	Diploma (Mech)	35	15 Years	15.12.17	8.06	Not available	-	No
9	Krishna Gopal Singh	Manager QA/ QC	B E (Mech)	37	14 Years	08.01.18	7.54	Not available	-	No
10	Mohd Kaleem Ansari	Planning Engineer	BE (Mech)	37	12 Years	15.12.17	7.48	JESMON DENMON, INDIA as Assistant Manager (Billing/ Planning).	-	No
11	K Kalyan Manikanta	Sr. Engineer	BE (Mech)	31	09 years	02.03.13	6.99	Not applicable	1,625	No

C. No employee of the Company who was appointed for throughout the year was in receipt of remuneration for an amount of One Crore and Two Lakh Crores or above during the FY 2020-21.

D. No employee of the Company who was appointed for part of the year was in receipt of remuneration for an amount of Eight Lakh and Fifty Thousand Rupees per month or above during the FY 2020-21.

for and on behalf of the Board
for **Likhitha Infrastructure Limited**

sd/-

Sri Lakshmi Gaddipati

Director

DIN: 02250598

sd/-

Srinivasa Rao Gaddipati

Managing Director

DIN: 01710775

Place: Hyderabad

Date: 11.06.2021

Annexure-VI

Form MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

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

To,
The Members

LIKHITHA INFRASTRUCTURE LIMITED

8-3-323, 9th Floor, Vasavi's MPM Grand,
Ameerpet 'X' roads, Yellareddy Guda,
Hyderabad, Telangana- 500 073.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **LIKHITHA INFRASTRUCTURE LIMITED (CIN: U45200TG1998PLC029911)** (hereinafter referred to as "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2021, 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, 2021, according to the provisions of:

- I) The Companies Act, 2013 (the Act) (to the extent applicable) 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 Exchange Board of India Act, 1992 ('SEBI Act'):-

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients;
- e. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- f. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (**Not applicable to the Company during the audit period**)
- g. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (**Not applicable to the Company during the audit period**)
- h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (**Not applicable to the Company during the audit period**) and
- i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (**Not applicable to the Company during the audit period**)



VI) Relying on the representations given by the Company and its officers with regard to other laws specifically applicable to the Company and its compliance, we opine that the Company has complied with the following laws:

a. The Contract Labour (Regulation & Abolition) Act, 1970

VII) We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India;

VIII) We report that, during the year under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines and Standards, etc. mentioned above.

We further report that:

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

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

All the decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the Minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

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

for **VCAN & Associates**
Practicing Company Secretaries

Ajay Naga Chowdary Vemuri

M. No. F11106

C. P. No. 15460

Place: Hyderabad

Date: June 11, 2021

UDIN: F011106C000445672

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 SECRETARIAL AUDIT REPORT

To,
The Members

LIKHITHA INFRASTRUCTURE LIMITED

8-3-323, 9th Floor, Vasavi's MPM Grand,
Ameerpet 'X' roads, Yellareddy Guda,
Hyderabad, Telangana- 500 073.

My Report of even date is to be read along with this letter:

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for my opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. We have relied up on the information provided by the Management with respect to related party transactions for its compliance.

for **VCAN & Associates**
Practicing Company Secretaries

Ajay Naga Chowdary Vemuri

M. No. F11106

C. P. No. 15460

UDIN: F011106C000445672

Place: Hyderabad
Date: June 11, 2021



Annexure-VII

BUSINESS RESPONSIBILITY REPORT

[Regulation 34(2)(f)]

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN) of the Company	U45200TG1998PLC029911
2	Name of the Company	LIKHITHA INFRASTRUCTURE LIMITED
3	Registered address	8-3-323, 9th Floor, Vasavi's MPM Grand, Ameerpet 'X' roads, Yellareddy Guda, Hyderabad, Telangana- 500 073
4	Website	www.likhitha.co.in
5	E-mail id	cs@likhitha.in
6	Financial Year reported	April 2020 to March 2021
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Constructions NIC Code: 9953
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	<ul style="list-style-type: none"> • Cross Country Pipelines and associated facilities • City Gas Distribution including CNG Stations • Operation & Maintenance (O&M) Services to existing pipelines
9	Total number of locations where business activity is undertaken by the Company.	International Company does not have any International Business Locations.
	a. Number of International Locations	
	b. Number of National Locations	National Registered Office (Head Office) Likhitha Infrastructure Limited 8-3-323, 9th Floor, Vasavi's MPM Grand, Ameerpet 'X' roads, Yellareddy Guda, Hyderabad, Telangana- 500 073 Apart from Registered Office, Company carries out project execution in most of the states in India.
10	Markets served by the Company – Local/State/ National/ International	National

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital	₹ 1972.50 Lakhs
2	Total Turnover	₹ 19293.71 Lakhs
3	Total profit after taxes	₹ 2898.97 Lakhs
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	1.44%
5	List of activities in which expenditure in 4 above has been incurred	The Company has transferred CSR amount to 'Radiant Institute of Technology, a public Charitable Trust created for conducting CSR activity for the purpose of taking up various activities as part of its services to the society and the activities of the said trust are covered under the Schedule VII of the Companies Act, 2013. During the year, CSR amount of ₹ 42.00 Lakhs has been given to 'Radiant Institute of Technology.

SECTION C: OTHER DETAILS

1	Does the Company have any Subsidiary Company/ Companies?	No
2	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	No
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]:	No

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

a)	Details of the Director/Directors responsible for implementation of the BR policy/policies	
1.	DIN	: 01710775
2.	Name	: Srinivasa Rao Gaddipati
3.	Designation	: Managing Director
b)	Details of the BR head:	
1.	DIN	: 01710775
2.	Name	: Srinivasa Rao Gaddipati
3.	Designation	: Managing Director
4.	Telephone Number	: 91-40-23752657
5.	E-mail ID	: gsr Rao@likhitha.in

2. Principle-wise (as per National Voluntary Guidelines) BR Policy/Policies:

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly are as follows:

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability (P1).

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle (P2).

Principle 3: Businesses should promote the wellbeing of all employees (P3).

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized (P4).

Principle 5: Businesses should respect and promote human rights (P5).

Principle 6: Businesses should respect, protect and make efforts to restore the environment (P6).

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner (P7).

Principle 8: Businesses should support inclusive growth and equitable development (P8).

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner (P9).


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

Q. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/policies for principles stated above	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
	Policies formulated after internal consultation covering all functional areas									
3	Does the policy confirm to any national / international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	Policies conform to applicable laws and the national standards. Implementation of the Policies lie with the respective functional Heads and reviewed by the Management.									
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	www.likhitha.co.in	www.likhitha.co.in	www.likhitha.co.in	www.likhitha.co.in	www.likhitha.co.in	www.likhitha.co.in	www.likhitha.co.in	www.likhitha.co.in	www.likhitha.co.in
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

b. If answer to the question at serial number 1 against any principle, is 'No', please explain why: Not Applicable.

Q. Questions No.	P1	P2	P3	P4	P5	P6	P7	P8	P9
1 The company has not understood the principles	-	-	-	-	-	-	-	-	-
2 The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-	-	-	-	-	-	-
3 The company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
4 It is planned to be done within next 6 months	-	-	-	-	-	-	-	-	-
5 It is planned to be done within the next 1 year	-	-	-	-	-	-	-	-	-
6 Any other reason (please specify)	-	-	-	-	-	-	-	-	-

3. Governance related to BR

a	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, more than 1 year	Annually
b	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	The applicability of BR report for the Company is from FY 2021-22. However, the same will be published in http://likhitha.co.in/investors.html

SECTION E: PRINCIPLE-WISE PERFORMANCE
Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
1. Does the policy relating to ethics, bribery and corruption cover only the company? Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/ NGOs /Others?

The policy extends to all our stakeholders like suppliers, customers, employees etc. The Company's Code of Ethics and Business Conduct conforms to standards of corporate governance by complying with laws and regulations and to fulfill the responsibilities to stakeholders and implement standards of transparency, integrity, accountability and corporate social responsibility in all dealings.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof.

We have not received any significant complaints from stakeholders in the last financial year.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

- Construction,
- Engineering and
- Infrastructure Development activities

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.)
a. Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

The Company is not engaged in the business of manufacturing goods and consumer products. The Company however takes necessary steps to ensure efficient use of the raw materials and goods required for execution of the projects including in relation to energy, water, raw material and etc.,



b. Reduction during usage by consumers (energy, water) has been achieved since the previous year?

The Company is not engaged in the business of manufacturing goods and consumer products. The Company however takes necessary steps to ensure efficient use of the raw materials and goods required for execution of the projects including in relation to energy, water, raw material and etc.,

3. Does the company have procedures in place for sustainable sourcing (including transportation)?

a. If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof.

Yes, the Company has laid down a standard operating procedure for the selection and approval of its vendors for sourcing of material. The Company is maintaining its long-term relationship with key suppliers and vendors for key raw material.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

a. If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Yes. During the execution of the projects awarded to the Company, the Company to the extent possible permitted under the contracts awarded procures raw materials from local & small produces/suppliers. The Company also maintaining its long-term relationship with local suppliers and vendors for continuous supply of raw materials and equipment's.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%).

Recycling of the products is not applicable as the Company is not engaged in manufacturing activities.

Principle 3: Businesses should promote the wellbeing of all employees.

Our Company promotes the well-being of all employees by providing equal opportunities, facilities and a workplace environment that is safe, hygienic, humane and which upholds the dignity of the employees.

1. Please indicate the Total number of employees: 921 as on March 31, 2021

2. Please indicate the Total number of employees hired on temporary/contractual/casual basis: 519

3. Please indicate the Number of permanent women employees: 08

4. Please indicate the Number of permanent employees with disabilities: Nil

5. Do you have an employee association that is recognized by management: The company doesn't have any employee association or a trade union of workers.

6. What percentage of your permanent employees is members of this recognized employee association: Not applicable

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

The company has adopted a policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (India) and the Rules thereunder.

During the financial year ended March 31, 2021, the Company has not received any of the complaint relating to child labour, forced labour, involuntary labour and sexual harassment. The Company has also complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

8. What percentage of your under mentioned employees were given safety & skill up- gradation training in the last year?

All permanent employees and contract labor of manpower contractor undergo safety training. In major sites, the training programmes in respect of Environment & Health, Safety Awareness, Personal and Organisation Development, Time Management, Team building etc. was conducted. Development opportunities for our employees are customized as per their functional needs.

During the FY 2020-21, the Company has also conducted General health checkup and Covid19 awareness programme etc.

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1. Has the company mapped its internal and external stakeholders?

Yes

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.

Yes

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.

Yes. Special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders is by providing books, special aids, educational material for visually challenged, scholarship and school infrastructure.

Principle 5: Businesses should respect and promote human rights.

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

Applicable only to the Company

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

Nil

Principle 6: Business should respect, protect, and make efforts to restore the environment.

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.

Applicable only to the Company

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? (If yes, please give hyperlink for webpage etc.)

No

3. Does the company identify and assess potential environmental risks?

Yes

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

Not Applicable

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

As part of the project execution the Company has undertaken initiatives relating to clean technology, energy efficiency, renewable energy, etc.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

Nil

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

No

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

Not applicable

Principle 8: Businesses should support inclusive growth and equitable development.

1. Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

Yes. The Company has adopted the CSR policy pursuant to Section 135/Schedule VII of the Companies Act, 2013. The details of the CSR projects undertaken by the Company is provided in the **annexure-III** to the Directors' Report.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

The Company has undertaken most of its programs/projects directly through Radiant Institute of Technology.



3. Have you done any impact assessment of your initiative?

Yes

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.

₹ 42.00 Lakhs. The details of the CSR projects undertaken by the Company is provided in the **annexure-III** to the Directors' Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

Yes, the Company's CSR initiatives are rolled out through its foundation which ensures that the CSR initiatives are well reached, as well as successfully adopted by the community. The Corporate Social Responsibility Committee, at its meetings, reviews the programs/initiatives/ projects undertaken and spending of amount in relation thereto.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

Nil

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./Remarks(additional information)

Not Applicable

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

No

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

Not Applicable

Annexure-VIII

CORPORATE GOVERNANCE REPORT

[As required under Reg.34 (3) and Schedule V(C) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Company's shares are listed on:

S. No.	Name of the Stock Exchange	Date of Listing
1	BSE Limited	15.10.2020
2	National Stock Exchange of India Limited	15.10.2020

The Corporate Governance Report has been prepared in accordance with Regulation 34(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule V thereto.

1. Corporate Governance Philosophy:

- The Company is committed to the highest standards of Corporate Governance Practices.
- The Company relies on strong corporate governance systems and policies of business for healthy growth, accountability and transparency. Good corporate governance will certainly benefit the Board and the management to carry out the objectives effectively for the benefit of the Company and its shareholders. The Code of Corporate Governance emphasizes the transparency of systems to enhance the benefit of shareholders, customers, creditors and employees of the Company.
- In addition to compliance with regulatory requirements, the Company endeavors to ensure that highest standards of ethical conduct are maintained throughout the organization.
- The Company has complied with the requirements of corporate governance in accordance with the applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. Board of Directors:

- The Board of Directors along with its committees provides focus and guidance to the Company's management as well as directs and monitors the performance of the Company.
- The Board presently comprises of Eight (8) directors having rich and vast experience with specialized skills in their respective fields, out of which Seven (7) are Non-Executive Directors including Two (2) Woman Directors. The Company has a Non-Executive Chairman. The Independent Directors constitute more than 50% of the total number of Directors on the Board, with the Managing Director being the only Executive Director on the Board of the Company.
- All the directors on the Board of the Company have made necessary declarations/disclosures regarding their other directorships along with committee positions held by them in other companies.

S. No.	Name of the Director	Category	No of Board Meetings during the year		Attendance at AGM held on 07.09.2020	No of Directorships held in other Companies [@]	Committee [#]	
			Held	Attended			Chairmanship	Membership
1	Mr. Sivasankara Parameswara Kurup Pillai	chairman, Non-Executive Independent Director	12	11	Yes	Nil	1	2



S. No.	Name of the Director	Category	No of Board Meetings during the year		Attendance at AGM held on 07.09.2020	No of Directorships held in other Companies [@]	Committee [#]	
			Held	Attended			Chairmanship	Membership
2	Mr. Srinivasa Rao Gaddipati	Managing Director-Promoter	12	12	Yes	02	NIL	2
3	Mrs. Likhitha Gaddipati	Non-Executive Non-Independent Director-Promoter	12	5	No	Nil	Nil	Nil
4	Mrs. Sri Lakshmi Gaddipati	Non-Executive Non-Independent Director	12	6	Yes	01	Nil	1
5	Mr. Kutumba Rao Gaddipati	Non-Executive Non-Independent Director	12	6	No	01	Nil	Nil
6	Mr. Talpa Sai Venkata Sessa Munupalle	Non- Executive Independent Director	12	8	Yes	Nil	1	1
7	Mr. Jnanindra Kumar Dhar ¹	Non- Executive Independent Director	9	4	No	Nil	NA	NA
8	Mr. Venkatram Arigapudi ²	Non- Executive Independent Director (Additional Director)	3	3	NA	Nil	NIL	NIL
9	Ms. Jayashree Voruganty ³	Non- Executive Independent Director (Additional Director)	NA	NA	NA	Nil	Nil	Nil

[@] Note: Excluding directorship in foreign companies and companies incorporated u/s. 8 of the Companies Act, 2013, but including private limited companies.

⁵ None of the Directors aforementioned are directors of other listed entities.

[#] Only membership of Audit and Stakeholders Relationship Committees of public limited companies including Likhitha Infrastructure Limited are considered.

1 Mr. Jnanindra Kumar Dhar ceased to be director of the Company with effect from 02.11.2020.

2 Mr. Venkatram Arigapudi was co-opted as Additional Director (Non- Executive Independent Director) of the Company w.e.f. 31.10.2020

3 Ms. Jayashree Voruganty was co-opted as Additional Director (Non- Executive Woman Independent Director) of the Company w.e.f. 10.04.2021.

Number of board meetings held during the year under review:

During the year under review, twelve (12) board meetings were held on the following dates:

14.05.2020	25.06.2020	04.07.2020	01.08.2020	08.09.2020	17.09.2020
08.10.2020	12.10.2020	31.10.2020	10.11.2020	18.01.2020	04.02.2021

In compliance with the provisions of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the intervening period between two consecutive meetings did not exceed one hundred and twenty days (120 days).

As per the disclosures given by the respective directors, no director is a member of more than ten committees and chairman of more than five committees, as specified in Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 across all the companies in which he/she is a director. Further, no director is acting as independent director of more than seven listed companies and if he is a whole-time director of a listed Company, more than three companies.

Disclosure of Relationships between the Directors inter-se:

Except the directors as below mentioned who are related to each other, no other director has any relationship with any other director.

S. No.	Name of the Director	Name of the other relative director	Nature of relationship
1	Mrs. Likhitha Gaddipati	Mr. Srinivasa Rao Gaddipati, Managing Director (Promoter)	Daughter of Mr. Srinivasa Rao Gaddipati
2	Mrs. Srilakshmi Gaddipati	Mr. Srinivasa Rao Gaddipati, Managing Director (Promoter)	Spouse of Mr. Srinivasa Rao Gaddipati
3	Mr. Kutumba Rao Gaddipati	Mr. Srinivasa Rao Gaddipati, Managing Director (Promoter)	Brother of Mr. Srinivasa Rao Gaddipati

Number of shares and convertible instruments held by Non-Executive Directors: None of the Non-Executive Directors hold any equity shares or convertible instruments in the Company except the following:

S. No.	Name of the Director	Category	Number of shares held
1	Mrs. Likhitha Gaddipati	Non- Executive Non- Independent Director	1625
2	Mrs. Sri Lakshmi Gaddipati	Non- Executive Non- Independent Director	365625

web link where details of familiarisation programmes imparted to independent directors is disclosed.

The details of the programmes conducted by the Company for the familiarisation of Independent Directors are posted on the website of the Company under the weblink: <http://likhitha.co.in/investors.html>

The matrix presenting the directors' area of expertise against their experience in the respective field is specified hereunder:

The list of core skills / expertise / competencies which are identified by the Board of Directors as required in the context of the business of the Company to function effectively are:

- Business and Administration
- Finance and accounts
- Legal and governance
- Industry knowledge
- Risk management
- Analytical skills
- Decision making skills.
- Leadership skills


Director-wise skills to be presented.

Name of the Director	Designation	Years of Experience	Field of Expertise
Mr. Sivasankara Parameswara Kurup Pillai	Non-Executive Independent Director (Chairman)	30+ Years	<ul style="list-style-type: none"> Decision making Skills Industry Knowledge Business and Administration
Mr. Srinivasa Rao Gaddipati	Managing Director	30+ Years	<ul style="list-style-type: none"> Business and Administration Risk Management Decision making Skills Leadership Skills Industry Knowledge
Mrs. Likhitha Gaddipati	Non-Executive Director	02 Years	<ul style="list-style-type: none"> Analytical Skills Leadership Skills Decision making skills
Mrs. Sri Lakshmi Gaddipati	Non-Executive Director	10+ Years	<ul style="list-style-type: none"> Business and Administration
Mr. Kutumba Rao Gaddipati	Non-Executive Director	20+ Years	<ul style="list-style-type: none"> Decision making skills Leadership Skills
Mr. Talpa Sai Venkata Sesha Munupalle	Non-Executive Independent Director	25+ Years	<ul style="list-style-type: none"> Legal and governance Finance and accounts
Mr. Venkatram Arigapudi	Additional Director	25+ Years	<ul style="list-style-type: none"> Legal and governance Industry knowledge Marketing expertise
Ms. Jayashree Voruganty	Additional Director	25+ Years	<ul style="list-style-type: none"> Legal and governance Finance and accounts

Confirmation that in the opinion of the Board the Independent Directors fulfil the conditions specified in the Listing Regulations and are independent of the management:

The Board of Directors confirms that in its opinion the Independent Directors fulfil the conditions specified by the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

During the year the under review, Mr. Jnanindra Kumar Dhar has resigned from the position of Independent Director of the Company w.e.f. 02.11.2020 due to ill-health conditions and it is hereby confirmed that the said director has resigned for no material reason other than that mentioned above.

Meeting of Independent Directors:

A meeting of the Independent Directors was held on 04th February 2021, inter alia, to review the performance of the Non- Independent Directors and the Board as a whole, to review the performance of the Chairperson of the Company and to assess 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 its duties.

In the opinion of the Board, the Independent Directors fulfil the conditions specified in Regulation 25 read with Schedule IV of the Companies Act, 2013 and are independent of the management.

In terms of Regulation 25(8) of SEBI Listing Regulations, Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management.

3. Audit Committee

The primary objective of the Audit Committee of the Company is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosures and transparency, integrity and quality of financial reporting.

The Company has constituted a qualified and independent Audit Committee comprising of 2/3 members as

independent directors in accordance with Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013.

The Committee is empowered with the role and powers as prescribed under Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013. The Committee also acts in terms of reference and directions of the Board from time to time.

The Committee acts as a link between the management, external and internal auditors and the Board of Directors of the Company.

The Managing Director, CFO, internal auditors and statutory auditors are also invited to the meetings, as required, to brief the Committee wherever required. The Company Secretary acts as the secretary of the Committee.

The Chairman of the Audit Committee also attended the last Annual General Meeting of the Company.

3.1. Composition of the Audit Committee and details of meetings held and attended by its members:

The Committee comprises of two Independent Directors. Four meetings of the Audit Committee were held during the year under review on 04 July 2020, 01 August 2020, 31 October 2020 and 04 February 2021. The gap between two meetings did not exceed one hundred and twenty days and necessary quorum was present at all the meetings.

The Composition of the Committee and details of attendance of the Committee members is as follows:

Name of the Director	Designation	No of Meetings	
		Held	Attended
Talpa Sai Venkata Seshamunupalle	Chairman	4	3
Srinivasa Rao Gaddipati	Member	4	4
Sivasankara Parameswara Kurup Pillai	Member	4	4

There was no change in the composition of the Committee during the year under review.

4. Nomination and Remuneration Committee (NRC)

The Company has constituted Nomination and Remuneration Committee (NRC) comprising of three Non-Executive Directors. The Committee is empowered with the roles and powers as prescribed under Section 178

of the Companies Act, 2013 and in the Nomination and Remuneration policy of the Company. The Committee also acts in terms of reference and directions of the Board from time to time.

The Nomination and Remuneration Committee reviews the profiles & experience, performance appraisals and recommends the remuneration package payable to executive director(s) and other senior executives in the top-level management of the Company and other elements of their appointment to and acts in terms of reference of the Board from time to time. The Company's Remuneration Policy as applicable to directors, key managerial persons and other senior management personnel of the Company is posted on the company's website at the following web address:

http://likhitha.co.in/img/content/policies/Nomination_and_Remuneration_Policy.pdf

4.1. Composition of the Nomination and Remuneration Committee and details of meetings held and attended by its members:

The Committee was reconstituted on November 10, 2020. The Committee comprises of three (03) Non-Executive Independent Directors. Two meetings were held during the year under review on 25 June 2020 and 31 October 2020. Necessary quorum was present at all the meetings.

Name of the Director	Designation	No of Meetings	
		Held	Attended
Venkatram Arigapudi*	Chairman	NA	NA
Sivasankara Parameswara Kurup Pillai	Member	2	2
Talpa Sai Venkata Seshamunupalle	Member	2	2
Jnanindra Kumar Dhar**	Chairman	2	1

* Mr. Venkatram Arigapudi was appointed as the Chairman of the Committee w.e.f. 10.11.2020.

** Mr. Jnanindra Kumar Dhar ceased to be Chairman of the Committee w.e.f. 02.11.2020.

4.2. Performance Evaluation:

Independent Directors have three key roles to play; those are:

- Governance
- Control
- Guidance

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015, the Nomination and Remuneration Committee has recommended



the guidelines for the evaluation of performance of Independent Directors. This largely includes:

- The qualification and experience of Independent Directors.
- The groundwork the Independent Directors perform before attending the meetings to enable them in giving valuable inputs during meetings.
- The exposure of Independent Directors in different areas of risks the entity faces and advices from them to mitigate the same.

In line with the Corporate Governance guidelines, evaluation of all Board members is done on an annual basis. This evaluation is done by the entire Board led by the Chairman with specific focus on the performance and effective functioning of the Board, the Committees of the Board, the individual directors and the same is reported to the Board. The evaluation process also considers the time spent by each of the Board members, core competencies, personal characteristics, accomplishment of specific responsibilities and expertise.

The entire Board of Directors (excluding the director being evaluated) held the performance evaluation of Independent

Directors and on the basis of performance evaluation, the Board decided to continue the term of appointment of Independent Directors.

Performance evaluation was done by the respective bodies on February 04, 2021.

4.3. Remuneration of Directors

The details of the remuneration paid to the Mr. Srinivasa Rao Gaddipati, Managing Director are as follows:

Category of Payment	Amount in Lakhs
Fixed Component	360.00
Performance Linked Incentives	--
Allowances, Perquisites & Others	--
Commission	--
Company's contribution to PF	--
Perks	--
Total	360.00

Apart from the above, Managing Director is also eligible for the leave encashment, leave travel concession, gratuity, superannuation and other benefits in terms of his appointment and the rules of the Company.

Sitting Fee paid to Non-Executive Directors and their shareholding are as follows:

Name of the Director	Designation	Sitting Fees paid (₹ In Lakhs)	No. of Shares held on 31.03.2021
Mrs. Likhitha Gaddipati	Non-Executive Non-Independent Director- Promoter	Nil	1625
Mrs. Srilakshmi Gaddipati	Non-Executive Non-Independent Director	Nil	365625
Mr. Kutumba Rao Gaddipati	Non-Executive Non-Independent Director	Nil	Nil
Mr. Talpa Sai Venkata Sesha Munupalle	Non- Executive Independent Director	1.80	Nil
Mr. Sivasankara Parameswara Kurup Pillai	Chairperson, Non-Executive Independent Director	2.40	Nil
Mr. Jnanindra Kumar Dhar*	Non- Executive Independent Director	0.50	Nil
Mr. Venkatram Arigapudi**	Non- Executive Independent Director (Additional Director)	0.40	Nil

*Mr. Jnanindra Kumar Dhar ceased to be director of the Company with effect from 02.11.2020.

**Mr. Venkatram Arigapudi was co-opted as Additional Director (Non- Executive Independent Director) of the Company w.e.f. 31.10.2020.

Other than the sitting fees paid to the Non-Executive Directors, they had no material pecuniary relationship or transaction with the Company. The Company has not issued any stock options to its directors/ employees during the financial year under review.

Mr. Srinivasa Rao Gaddipati, Managing Director and Mrs. Likhitha Gaddipati, Mrs. Srilakshmi Gaddipati and Mr. Kutumba Rao Gaddipati, Non- Executive Directors of the Company have renounced their sitting fee during the Financial Year under review.

There are neither specific contracts nor any severance fees. The terms of appointment are as decided by the Board and the general body.

5. Stakeholder Relationship Committee (SRC)

The Stakeholders Relationship Committee is empowered, inter alia, to review all matters connected with the Company's share transfers and transmissions and redressal of shareholders/ investors' complaints like non-transfer of shares, non-receipt of dividend, Annual Report etc.

The composition and the terms of reference of Committee are in line with the requirements of provisions of the Companies Act, 2013 and Regulation 20 of SEBI Listing Regulations.

5.1. Composition of Stakeholder Relationship Committee:

The Committee comprises of three (03) Director with Non-Executive Director being the chairman of the Committee.

Mr. Santhosh Kumar Gunemoni, Company Secretary is the Compliance Officer of the Company for attending to complaints/grievances of the members.

The Committee has met on February 04, 2021 and considered the issues of investor grievances.

The Composition of the Committee and details of attendance of the Committee members is as follows:

Name of the Director	Designation	No of Meetings	
		Held	Attended
Sivasankara Parameswara Kurup Pillai	Chairman	1	1
Srilakshmi Gaddipati	Member	1	Nil
Srinivasa Rao Gaddipati	Member	1	1

Mr. Sivasankara Parameswara Kurup Pillai, Chairman of Stakeholder Relationship Committee attended AGM of the Company held on 07 September 2020.

The Stakeholders' Relationship Committee is empowered to oversee the redressal of investors' complaints pertaining to share transfer, non-receipt of annual reports, dividend payments, issue of duplicate share certificate, transmission of shares and other miscellaneous complaints. In accordance with Regulation 6 of the SEBI (LODR) Regulations, 2015, the Board has authorized the Company's Registrar and Transfer Agent (RTA) i.e. Bigshare Services Private Limited to approve the share transfers/transmissions and to comply with other formalities in relation thereto in coordination with the Compliance Officer of the Company. All the investors' complaints, which cannot be settled at the level RTA and the Compliance Officer, will be placed before the Committee for final settlement.

Name of the Non-Executive Director heading the committee	Mr. Sivasankara Parameswara Kurup Pillai
Name and designation of the Compliance Officer	Mr. Santhosh Kumar Gunemoni, Company Secretary and Compliance Officer
Number of Shareholders' Complaints received in FY 2020-21	20
Number not solved to the satisfaction of shareholders	0
Number of pending complaints	0

6. Corporate Social Responsibility Committee (CSR Committee)

The Board constituted a CSR Committee as per the provisions of Section 135 of the Companies Act, 2013 and entrusted the responsibility to comply with the said provisions to such Committee. The composition of the CSRC is as under:

Composition of CSR Committee

Name of the Director	Designation	No of Meetings	
		Held	Attended
Srinivasa Rao Gaddipati	Chairman	2	2
Srilakshmi Gaddipati	Member	2	Nil
Sivasankara Parameswara Kurup Pillai	Member	2	2

During the Financial Year 2020-21, the Committee met two times i.e., on August 01, 2020, and February 04, 2021, and details of attendance are mentioned in the table aforementioned.



7. Initial Public Offer Committee (IPO Committee)

The Board, to take decisions, carry out effective execution of decisions and approval of various documents, applications relating to Initial Public Offer (IPO) of 51,00,000 Equity Shares of ₹ 10 each, has constituted IPO Committee on December 10, 2019.

The Composition of IPO Committee is as follows:

Name of the Director	Designation	No of Meetings	
		Held	Attended
Srinivasa Rao Gaddipati	Chairman	4	4
Mr. Talpa Sai Venkata Sesa Munupalle	Member	4	4
Sivasankara Parameswara Kurup Pillai	Member	4	4
Santhosh Kumar Gunemoni	Company Secretary and Compliance Officer	4	4

During the Financial Year 2020-21, the Committee has met for four times on September 17, 2020, September 24, 2020, October 01, 2020, and October 08, 2020 and details of attendance are mentioned in the table aforementioned.

8. Risk Management Committee

Pursuant to provisions of Regulation 21(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has constituted a Risk Management Committee w.e.f. 11.06.2021. and entrusted with the responsibility to frame, implement and monitor the Risk Management Plan for the Company. The Committee is responsible for reviewing the Risk Management Plan and ensuring its effectiveness. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

The Composition of Risk Management Committee is as follows:

Name of the Director	Designation	Category of Directorship
Srinivasa Rao Gaddipati	Chairman	Managing Director
Jayashree Voruganty	Member	Independent Director
Sivasankara Parameswara Kurup Pillai	Member	Independent Director
Sudhanshu Shekhar	Member	Chief Executive Officer
Sambasiva Rao Ketineni	Member	Chief Financial Officer

9. General Body Meetings

The details of the last three Annual General Meetings (AGMs) are given below:

Financial Year	Date	Venue	Time	Special Resolution passed
2019-20	07.09.2020	Flat no. 701, plot no. 8-3-940 and 8-3-940/A to E, Tirumala shah residency, Yellareddy Guda, Ameerpet, Hyderabad, Telangana- 500 073	02.00 P.M.	No Special Resolution was passed during the AGM
2018-19	30.09.2019	Flat no. 701, plot no. 8-3-940 and 8-3-940/A to E, Tirumala shah residency, Yellareddy Guda, Ameerpet, Hyderabad, Telangana- 500 073	11.00 A.M.	No Special Resolution was passed during the AGM
2017-18	29.09.2018	Flat no. 701, plot no. 8-3-940 and 8-3-940/A to E, Tirumala shah residency, Yellareddy Guda, Ameerpet, Hyderabad, Telangana- 500 073	11.00 A.M.	No Special Resolution was passed during the AGM

No Special Resolution has been passed by the Company through postal ballot during the year under review.

No resolutions are proposed to be conducted now through postal ballot.

10. Means of Communication.

a. Quarterly Results

Quarterly, half-yearly and annual results are published in two Newspapers- English and Regional language.

Annual Reports with Audited Financial Statements are sent to shareholders through permitted mode.

b. Newspapers wherein results normally published.

The results are normally published by the Company in the newspapers (Financial Express) in English version circulating in the whole of India and in regional newspaper (Navatelangana) in the vernacular language in all editions.

c. Any website, where displayed.

The results are also published on the Company's website: www.likhitha.co.in.

d. Whether it also displays official news releases:

The newsletters and press releases made from time to time, if any, are also displayed on the Company's website.

e. Presentations made to institutional investors or to analysts:

The presentations made to institutional investors or to analysts are displayed in the Company's website.

11. General Shareholder Information

Annual General Meeting	
Date and Time:	
Venue	
Last Date of Proxy forms submission	
Period Date for exercising e-voting	
Financial Year	01st April 2020- 31st March 2021
Book Closure	NA
Dividend Payment Date	1. National Stock Exchange of India Limited, "EXCHANGE PLAZA", 5th Floor, Plot No. C/1, G Block, Bhandra- Kurla Complex, Bandra (E), Mumbai..
	2. BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai
Name of the Stock Exchange	Name of the Stock Exchange Stock Code Scrip Code
	BSE 543240 LIKHITHA
	NSE N.A. LIKHITHA
Listing fees to the stock exchange and Annual custodian fees to depositories for the year 2020-21 have been paid.	

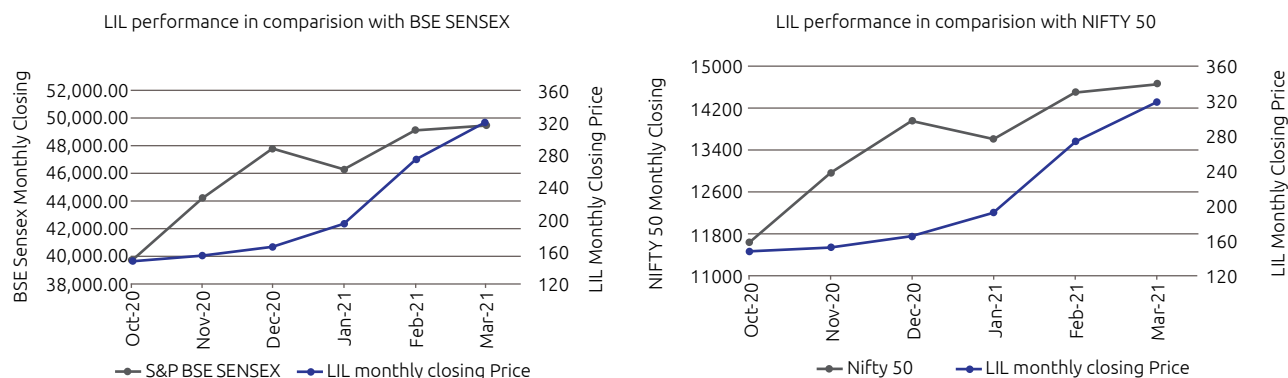
Market price data & Share performance of the Company:

The monthly high, low and trading volumes of the Company's equity shares during the financial year 2020-21 at BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) are given below:

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume	High (₹)	Low (₹)	Volume
October, 2020	177.00	125.00	11,14,118	176.00	125.00	59,78,000
November, 2020	170.00	142.00	6,32,424	169.55	133.80	34,42,619
December, 2020	172.00	142.90	13,99,034	172.20	146.65	47,53,252
January, 2021	214.00	155.05	192.70	213.80	164.35	70,08,874
February, 2021	298.15	194.35	13,14,007	298.00	193.15	63,00,055
March, 2021	359.00	274.30	9,63,333	359.50	274.25	47,56,404



Share Performance of the Company in comparison with broad based indices- S&P BSE SENSEX & CNX NIFTY



In case the securities are suspended from trading, the directors' report shall explain the reason thereof:

During the reporting period there are no instances of suspension of trading in the shares of the Company.

Registrar to an issue and share transfer agents;

Registrar and Transfer Agents (for shares held in both physical and demat mode)

Bigshare Services Private Limited,
306, Right Wing, 3rd Floor
Amrutha Ville, Opp. Yashoda
Hospital Somajiguda
Rajbhavan Rd, Hyderabad -
500082

Telephone Numbers

040-2337 4967

040-2337 0295

Contact person

R. Amarendranath

E mail ID

amarendranath.r@
bigshareonline.com

bsshyd@bigshareonline.com

Website

<https://www.bigshareonline.com/>

Sharetransfer system

Bigshare Services Private Limited, Hyderabad, is the Company's Registrar and Share Transfer Agent. Share transfers are registered and processed in the normal course within a period of less than 15 days from the date of receipt if the documents are in order in all respects, in line with Schedule VII to the Listing Regulations. Requests for dematerialisation of shares are processed and confirmation is given to the respective depositories, i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) within 15 days. The Registrar and Share Transfer Agent has been delegated the power of share transfer to expedite the transfer formalities, which is in line with Schedule VII and Regulation 40 of the SEBI (Listing Obligations and Disclosure Regulations) 2015.

The entire equity shares of the Company are held in Dematerialized form.

Distribution of Shareholding as on 31st March, 2021:

S. No.	Category	No of Shareholders	% to total shareholders	No of Shares	% to Equity
1	1-5000	14315	94.85	10041630	5.09
2	5001-10000	343	2.27	2698600	1.37
3	10001-20000	181	1.20	2718390	1.37
4	20001-30000	81	0.54	2047490	1.04
5	30001-40000	38	0.25	1364370	0.70
6	40001-50000	40	0.26	1867940	0.95
7	50001-100000	49	0.32	3812030	1.93
8	100001 and above	47	0.31	172699550	87.55
Total		15094*	100.00	19725000	100.00

*The total number of shareholders i.e. 15094 includes those shareholders who hold two Demat Accounts with the same PAN. Therefore, the actual shareholders as on 31st March, 2021 are 14877.

Shareholding pattern as on 31st March, 2021.

Category	No of Shares held	Percentage of Capital
Indian Promoters	14618500	74.11
Banks, Financial Institutions, and Mutual Funds	NIL	-
Foreign Portfolio Investors and Foreign Institutional Investors	18202	0.09
Indian Public and HUF	4117725	20.88
Private Corporate Bodies/Body Corporate	779649	3.96
NRI/OCB's/FCB and Foreign Nationals	69817	0.35
Others	121107	0.61
Total	19725000	100.00

Dematerialisation of shares and liquidity:

Number of shares	% of total shares	Number of Shareholders	% of total shareholders
19725000	100.00	14877	100.00

The breakup of Shares in demat and physical form as on 31st March, 2021 is as follows:

Particulars	No. of shares of ₹ 10/- each	% of shares
Demat Segment		
NSDL	3812	9.97
CDSL	11282	90.03
Sub-total		
Physical Segment	NIL	-
Total	15094	100.00

Outstanding Global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity:

No GDR/ADRs/warrants or any convertible instruments have been issued by the Company during the year under review or are outstanding as at the end of the financial year 2020-21.

Commodity Price Risk or Foreign Exchange Risk and Hedging activities:

The Company is not involved in any such activity.

Registered Office and other branches:

The Registered Office of the Company is situated at 8-3-323, 9th Floor, Vasavi's MPM Grand, Ameerpet 'X' roads, Yellareddy Guda, Hyderabad, TG- 500073. The Company doesn't have any other corporate offices.

List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad:

The Company has not obtained any credit rating during the Financial Year 2020-21.

12. Other disclosures
A. Disclosures on Materially Significant Related Party Transactions that may have potential conflict with the interests of listed entity at large:

There are no related party transaction during the financial year under review except the one disclosed in the financial statements. The Company does not have any subsidiary or associate company or group company, therefore Related Party Disclosure as required under Schedule V of SEBI (LODR) Regulations is not applicable.

The Remuneration paid to Managing Director is approved by Shareholders as per the provisions of Companies Act, 2013. Policy for Related Party Transactions is hosted on the Company's website at http://likhitha.co.in/img/content/policies/Related_Party_Policy.pdf.

B. Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years:

There was no instance of non-compliance pertaining to stock exchanges, statutory authority or any other capital market regulator during the preceding three years (Likhitha Infrastructure Limited is listed w.e.f. 15.10.2020).



C. Details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel have been denied access to the Audit Committee.

The Company has formulated a Whistle Blower Policy and has also established a vigil mechanism for employees and directors to report genuine concerns and instances of fraud/ illegal activities and no personnel had been denied access to the Audit Committee. The Policy is placed on the website of the Company under the web link: http://likhitha.co.in/img/content/policies/Whistle_Blower_Policy.pdf. As per the Policy and Internal Code of Conduct all personnel of the Company have been given access to the Chairman of Audit Committee.

D. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

The Company has complied with all the mandatory requirements enumerated in the Listing Regulations and the Companies Act, 2013 read with the rules made thereunder and is also in compliance with non-mandatory requirements to a maximum extent.

E. Policy for determining "material" subsidiaries.

The Company does not have any subsidiary. Therefore, the Company did not adopt any policy on "Material Subsidiary".

F. Web link of the policy on dealing with Related Party Transactions.

The Board has formulated a policy on Related Party Transactions and has revised it from time to time in the light of amendments to the Listing Regulations and the same is available on the Company's website under the web link: http://likhitha.co.in/img/content/policies/Related_Party_Policy.pdf.

G. Disclosure of Commodity Price Risks and Commodity Hedging Activities:

The Company is not dealing in any commodities.

H. A certificate from MR. Ajay Naga Chowdary Vemuri, Practicing Company Secretary, Hyderabad stating that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI/ Ministry of Corporate Affairs or any such statutory authority, such disclosure has been enclosed separately to this Report.

I. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):
Not Applicable

J. Whether the Board had not accepted any recommendation of any Committee of the Board, which is mandatorily required, in the relevant financial year: No

K. Total fees for all services paid by the listed entity to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part:

Particulars	₹ in Lakhs
Name of Auditor	NSVR & Associates LLP
Statutory Audit	4.40
Reimbursement of Expenses	Nil

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

Your Company has constituted Internal Complaints Committee (ICC) under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The disclosure pertaining to the complaints are given hereunder:

No of complaints received during the year	Nil
No of complaints disposed off during the year	Nil
No of complaints pending as on end of financial year	Nil

M. Non-compliance of any requirement of Corporate Governance Report, with reasons thereof shall be disclosed: All the above requirements w.r.t. this Report have been complied with.

N. The extent to which the discretionary requirements as specified in the Part E of Schedule II have been adopted.:

Discretionary Requirements: The Company has adopted / complied with the discretionary requirements specified in Part E of Schedule II as detailed below.

i. The Board:

The office of Mr. Sivasankara Parameswara Kurup Pillai, Non- Executive Chairperson, is maintained at the expense of the Company and he is allowed to claim reimbursement of expenses incurred in performance of his duties, if any.

ii. Shareholders Rights:

All quarterly /half yearly financial results are submitted to the stock exchanges and are simultaneously placed on the website of the Company at www.likhitha.co.in apart from being published in the newspapers.

iii. Modified opinion(s) in audit report:

There are no modified opinions in the Audit Report for the financial year ended 31st March, 2021.

iv. Reporting of Internal Auditor:

The Internal Auditor of the Company reports directly to the Chairman of the Audit Committee, stating observations, if any.

v. The disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 shall be made in the section on corporate governance of the annual report.

Regulation	Particulars of Regulations	Compliance Status (Yes/No/NA)
17	Board of Directors	Yes
17A	Maximum Number of Directorship	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholder Relationship Committee	Yes
21	Risk Management Committee	NA
22	Vigil Mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirements with respect to Subsidiary of listed entity	NA
24A	Secretarial Audit	Yes
25	Obligations with respect to Independent Directors	Yes
26	Obligation with respect to Directors and Senior Management	Yes
27	Other Corporate Governance requirements	Yes
46(2)(b) to (i)	Website	Yes

O. Declaration signed by the chief executive officer stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management:

The Company has in place a comprehensive Code of Conduct (the Code) pursuant to Regulation 17(5) of Listing Regulations which is applicable to all the senior management personnel and directors including independent directors to such extent as may be applicable to them depending on their roles and responsibilities.

A copy of the Code of Conduct has been placed on the Company's website www.likhitha.co.in. All the Board members and the senior management personnel have confirmed compliance with the Code.

Declaration on compliance with Code of Conduct is enclosed as **Annexure VIIIB** to this Report.

P. CEO and CFO Certification

Chief Executive Officer and Chief Financial Officer have provided a certificate in compliance with the Regulations 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Q. Compliance certificate from either the auditors or practicing company secretaries regarding compliance

of conditions of corporate governance shall be annexed with the directors' report:

Compliance Certificate on the compliance of conditions of corporate governance pursuant to Para E of Schedule V to the SEBI (LODR) Regulations, 2015 from Mr. Ajay Naga Chowdary Vemuri, Practising Company Secretary, Hyderabad, is enclosed as an Annexure IC to this Report.

R. Transfer of shares to Investor Education & Protection Fund:

This provision is not applicable to the Company as the Company has not declared any dividend since incorporation and the Company got converted to Public Limited in the FY 2019-20 and got listed in the FY 2020-21.

Unclaimed Equity Dividends and Shares:

The Company has not declared any dividend since incorporation.

Guidance for Investor to file claim: Not applicable

Disclosures with respect to Demat Suspense Account/ Unclaimed Suspense Account:

Since no shares of the Company have been transferred to Demat Suspense Account/ Unclaimed Suspense Account in accordance with Regulation 39 of the SEBI (LODR) Regulations, 2015 read with Schedule VI thereto, disclosures w.r.t. the same are not applicable to the Company.

**CEO / CFO CERTIFICATION IN RESPECT OF FINANCIAL STATEMENTS AND CASH FLOW STATEMENT**

(Pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Financial Year ended March 31, 2021)

To
The Board of Directors
Likhitha Infrastructure Limited

We, Sudhanshu Shekhar, Chief Executive Officer and Sambasiva Rao Kethineni, Chief Financial Officer of Likhitha Infrastructure Limited, certify that:

1. We have reviewed financial statements and the cash flow statement for the financial year ended 31 March 2021 and that to the best of our knowledge and belief:
 - a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - b) These statements together present a true and fair view of Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or in violation of Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. There have been no significant changes in the above-mentioned internal controls over financial reporting during the Financial Year 2020-21
5. There have been no significant changes in the accounting policies during the Financial Year 2020-21.
6. We have not noticed any significant fraud particularly those involving the management or an employee having a significant role in the Company's internal control system over Financial Reporting.

Date: 11.06.2021
Place: Hyderabad

Sd/-
Sudhanshu Shekhar
Chief Executive Officer

Sd/-
Sambasiva Rao Kethineni
Chief Financial Officer

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGERIAL PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

I, Srinivasa Rao Gaddipati, Managing Director, hereby declare that the Company has received declarations from all the Board Members and Senior Managerial Personnel affirming Compliance with the Code of Conduct for the Members of the Board and Senior Managerial Personnel for the year ended March 31, 2021.

Date: 11.06.2021
Place: Hyderabad

Sd/-
Srinivasa Rao Gaddipati
Managing Director
DIN: 01710775

PRACTICING COMPANY SECRETARIES' CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
Likhitha Infrastructure Limited,
Hyderabad, TG- 500073.

We have examined the compliance of the conditions of Corporate Governance by Likhitha Infrastructure Limited (hereinafter referred to as "the Company") for the year ended March 31, 2021, as stipulated in Chapter IV of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

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

In our opinion and to the best of our information and according to the explanations given to us, the Company has complied with the conditions of Corporate Governance as stipulated in the said listing regulations.

I state that such compliance 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.

Place: Hyderabad
Date: June 11, 2021

for **VCAN & Associates**
Practicing Company Secretaries

Ajay Naga Chowdary Vemuri
M. No. F11106
C. P. No. 15460
UDIN: F011106C000445971



CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,

The Board of Directors

LIKHITHA INFRASTRUCTURE LIMITED

8-3-323, 9th Floor, Vasavi's MPM Grand,
Ameerpet 'X' roads, Yellareddy Guda,
Hyderabad, Telangana- 500 073.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Likhitha Infrastructure Limited having CIN: U45200TG1998PLC029911 and having registered office at 8-3-323, 9th Floor, Vasavi's MPM Grand, Ameerpet 'X' roads, Yellareddy Guda, Hyderabad, Telangana- 500 073 (hereinafter referred to as 'the Company') produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

S. No.	Name of the Director	DIN	Date of appointment in the Company
1	Mr. Srinivasa Rao Gaddipati	01710775	06.08.1998
2	Mrs. Sri Lakshmi Gaddipati	02250598	06.08.1998
3	Mr. Kutumba Rao Gaddipati	02333387	16.08.1998
4	Mrs. Likhitha Gaddipati	07341087	08.01.2018
5	Mr. Talpa Sai Venkata Sesha Munupalle	08388354	28.03.2019
6	Mr. Sivasankara Parameswara Kurup Pillai	08401552	28.03.2019
7	Mr. Jnanindra Kumar Dhar*	06861830	01.06.2019
8	Mr. Venkatram Arigapudi [§]	08939773	31.10.2020
9	Ms. Jayashree Voruganty [#]	09137732	10.04.2021

* Mr. Jnanindra Kumar Dhar resigned from the Board w.e.f. 02.11.2020.

[§] Mr. Venkatram Arigapudi inducted as an Additional Director (Independent) on the Board w.e.f. 31.10.2020.

[#] Ms. Jayashree Voruganty inducted as an Additional Director (Independent) on the Board w.e.f. 10.04.2021.

Ensuring the eligibility of for 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 **VCAN & Associates**
Practicing Company Secretaries

Ajay Naga Chowdary Vemuri

M. No. F11106

C. P. No. 15460

UDIN: F011106C000446145

Place: Hyderabad

Date: June 11, 2021

Annexure-IX

DIVIDEND DISTRIBUTION POLICY

PREAMBLE

This Policy has been adopted by the Board of Directors (the "Board") on June 11, 2021. The Board may review and amend this policy from time to time and shall comply with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the provisions of the Companies Act, 2013 as amended.

POLICY

The Board of Directors decides each year, in accordance with this policy, which portion of the earnings shall be retained in reserves to fund future growth or for other purposes and the portion of earnings to be distributed to reward shareholders for their investment in the Company.

Dividends are declared at the Annual General Meeting of the shareholders based on the recommendation by the Board. The Board may recommend dividends, to be paid to shareholders, after taking into consideration the operating and financial performance of the Company, the advice of executive management including the CFO, and other relevant factors. The Board may also declare interim dividends.

This Policy sets out the parameters and circumstances that may be taken into account by the Board in determining recommendation of dividend and/or retain the profits earned by the company.

a) Statutory requirements

The Company shall observe the relevant statutory requirements for creation of any reserves from out of profits etc., as provided in the Companies Act, 2013 as applicable while taking decisions for dividend declaration or retention of profits.

b) Prudential requirements

The Company shall analyze the prospective projects, capital expenditure for expansions, growth of business, working capital needs, acquisitions, strategic decisions or as a result of expanded capital on account of bonus, new issue of various classes of shares or debentures, which may need creation of healthy reserve, internal resources, servicing and capital conservation for such needs.

c) External factors

The Board may take into account any external factors while considering recommending dividend, such as:

- Political, tax or regulatory changes relating to its business or declaration of dividend.

- Any material changes relating to the operations of the company or the economic and technological environment impacting the business of the company.
- Any significant change in the competitive conditions affecting the operations of the company which might require dynamic changes in operations or making significant investments.
- Any restrictions on payment of dividends by virtue of any regulation as may be applicable to the Company at the time of declaration of dividend.

d) Expectations of stakeholders / various classes of shares

The Board, while deciding recommendation of dividend, shall also factor the expectations of the stakeholders while also taking into account the needs of business and consistency of a dividend payout.

e) Utilisation of retained earnings:

Profits as earned by the company may either be retained in business for future business needs as detailed under b) above or may be distributed to the shareholders.

f) Manner of pay-out:

- Interim dividend, if any, may be declared by the Board.
- Recommendation, if any, shall be done by the Board, usually at the Board meeting that considers and approves the annual financial statements.
- dividend recommended by the Board shall be approved at the annual general meeting of the Company.
- payment of dividends shall be made within the stipulated time and in compliance with the regulations or the applicable law.

g) Circumstances under which dividend may not be paid:

The Board may in extraordinary circumstances like adverse market conditions, business uncertainty, inadequacy of profits etc., deviate from the policy parameters and may prune or not recommend dividend.

h) Multiple classes of shares:

The factors, parameters and payment for dividend to different class of shares of the Company shall be similar to the policy formulated herein, and subject to the respective rights attached to each class of shares as per their terms of issue and in compliance with applicable regulations or law.



Independent Auditors' Report

To
The Members Of
LIKHITHA INFRASTRUCTURE LIMITED

Opinion:-

1. We have audited the accompanying financial statements of Likhitha Infrastructure Limited (formerly known as Likhitha Infrastructure Private Limited) ("the Company"), which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and 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 financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("IND AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2021, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion:-

2. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs 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 there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter:-

3. We draw attention to Note 2.22 the financial statements, which describes the extent to which the COVID-19 Pandemic will impact the Company's financial performance and financial position which depend on future developments that are highly uncertain. Our opinion is not modified in respect of this matter.

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. We have determined the matters described below to be the key audit matters to be communicated in our report.

Appropriateness of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from Contracts with Customers" (new revenue accounting standard)

Key audit matter description	Appropriateness of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from Contracts with Customers" (new revenue accounting standard).
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The application of the revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period. And also the required disclosure as specified by the said standard.

Audit Procedures	We have assessed the process to identify the impact of adoption of the new revenue accounting standard and also the revenue recognition criteria said by the company.
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We have assessed the process to identify the impact of adoption of the new revenue accounting standard and also the revenue recognition criteria said by the company.

The procedures performed included the following:

- Evaluated the design of internal controls relating to implementation of the new revenue accounting standard;
- Review terms and conditions of continuing and new contracts on sample basis and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price.
- We have carried out procedures involving inspection and examination of evidence which include the underlying supporting documents, internal and external supporting records in respect of transactions with the customers in relation to the continuing and new contractor and
- In respect of significant continuing and new contracts, we performed the following procedures:
 - i. Read and analysed contracts to understand terms and conditions to ascertain the distinct performance obligations in such contracts;
 - ii. Compared such performance obligations with that identified and recorded by the Company;
 - iii. Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration;
 - v. Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings.

Key audit matter
description

Trade Receivables:

Refer to accounting policies for the standalone financial statements and notes.

Net trade receivables amount to Rs. 38,83,74,042/-.

Trade receivables are recognised at their anticipated realisable value, which is the original invoiced amount less an estimated valuation allowance. Valuation of trade receivables is a key audit matter in the audit due to the size of the trade receivable balance.

Audit Procedures

For trade receivables our key audit procedures included the following:

- We have reviewed on sample basis in the agreements and supporting evidence in respect of the transactions between company and its customers. To ensure the accuracy of the transactions and balance of the trade receivables.
- Reviewed significant terms and conditions of the agreement to verify the proper revenue recognition and also reviewed the terms and conditions with reference to obligations on the entity
- Reviewed the payment terms and conditions by the customers to ensure the completeness of the debtors balances.
- We obtained trade receivables balance confirmations;
- We analysed the aging of trade receivables; and
- We obtained a list of outstanding receivables and assessed the recoverability of these through inquiry with management and by obtaining sufficient corroborative evidence to support the conclusions.



Other Information:-

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the annual report, for example, Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon. The other information as stated above is expected to be made available to us after the date of this auditor's report.

Our opinion on the 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 financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Management's Responsibility for the Financial Statements:-

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and

presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and Board of Directors are 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.

Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibility for the Financial Statements:-

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

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

We also

7. 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.
8. 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.

9. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
10. 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
11. 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.

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.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We

describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements:-

12. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.
13. As required by Section 143 (3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of accounts.
 - d. In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A. Our report expresses unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.



- g. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
- i. The Company has disclosed the impact, if any, of pending litigations as at March 31, 2021 on its financial position in its Ind AS financial statements – Refer Note 31.1.B(II);
 - ii. The Company has made provision as at March 31, 2021, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2021;
- h. With respect to the matter to be included in the Auditors' Report under 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 the section 197 of the Act.

For **NSVR & Associates LLP**

FRN: 008801S/S200060

Chartered Accountants

Suresh Gannamani

Partner

Membership Number: 226870

UDIN: 21226870AAAADY2401

Place: Hyderabad

Date: 11-06-2021.

Annexure 'A'

to the Independent Auditors' Report

Referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the members of Likhitha Infrastructure Limited on the Ind AS financial statements for the year ended March 31, 2021.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act:-

1. We have audited the internal financial controls over financial reporting of Likhitha Infrastructure Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls:-

2. 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.

Auditors' Responsibility:-

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. 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.

4. 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 financial controls based on the assessed risk. The procedures selected depend on the auditor's judgments, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. 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:-

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting:-

7. 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:-

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, 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 **NSVR & Associates LLP**

FRN: 008801S/S200060

Chartered Accountants

Suresh Gannamani

Partner

Membership Number: 226870

UDIN: 21226870AAAADY2401

Place: Hyderabad

Date: 11-06-2021.

Annexure 'B'

to the Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Likhitha Infrastructure Limited on the Ind AS financial statements as of and for the year ended March 31, 2021

I. In respects of Company's property, plant and equipment:

- (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) The title deeds of immovable properties, as disclosed in note 3 on property, plant and equipment to the Ind AS financial statements, are held in the name of the Company.

II. The physical verification of inventory have been conducted at reasonable intervals by the Management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material.

III. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii),(iii)(a),(iii)(b) and (iii)(c) of the said Order are not applicable to the Company.

IV. The Company has not granted any loans or made any investments, or provided any guarantees or security to

the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.

V. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

VI. Pursuant to the rules made by the Central Government of India, the Company is not required to maintain cost records as specified under Section 148(1) of the Act.

VII. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, employees' state insurance, income tax and value added tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including sales tax, duty of customs, duty of excise, cess, goods and service tax and other material statutory dues, as applicable, with the appropriate authorities.

- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of duty of customs, duty of excise, value added tax, goods and service tax which have not been deposited on account of any dispute. The particulars of dues of income tax, sales tax, service tax and entry tax as at March 31, 2021 which have not been deposited on account of a dispute are as follows:

Particulars	As at March 31, 2021	As at March 31, 2020	Forum Where Dispute is Pending
Telangana Value Added Tax Act, 2005			
Demand under Rule 17 (1) (e) of the APVAT Rules, 2005 Financial Year 2008-2009 [Rs. 307,190/- was paid under protest]	614,381	614,381	Sales Tax Tribunal
Demand under Rule 17 (1) (e) of the APVAT Rules, 2005 Financial Year 2009-2010 [Rs. 767,828/- was paid under protest]	1,535,656	1,535,656	Sales Tax Tribunal
Income tax Act, 1961			
Order u/s. 143 (3) Income tax Act, 1961 Assessment Year 2017-18	2,21,02,029	2,21,02,029	Income Tax Tribunal
Order u/s. 143 (3) Income tax Act, 1961 Assessment Year 2018-19	3,06,52,410	-	Income Tax Tribunal
Order u/s. 143 (3) Income tax Act, 1961 Assessment Year 2019-20	3,15,960	-	Income Tax Tribunal

*net of amounts paid under protest of includes interest and penalty levied on the disputed demand which will be settled in case such demand is required to be paid by the Company.



- VIII.** According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.
- IX.** In our opinion and according to information and explanations given by the management and audit procedures performed by us, monies raised by the company by way of initial public offer were applied for the purpose for which they were raised, though idle funds which were not required for immediate utilisation have been deposited in a separate bank account.
- X.** During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- XI.** The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- XII.** As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. The provisions of Clause 3(xii) of the Order are not applicable to the Company.
- XIII.** The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of the related party transactions have been disclosed in the Ind AS financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act.
- XIV.** The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- XV.** The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- XVI.** The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.
- For **NSVR & Associates LLP**
FRN: 008801S/S200060
Chartered Accountants
- Suresh Gannamani**
Partner
Membership Number: 226870
UDIN: 21226870AAAADY2401
- Place: Hyderabad
Date: 11-06-2021.

Balance Sheet

as at March 31, 2021

(All amounts in INR, unless otherwise stated)

Particulars	Note No	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-current Assets			
(a) Property, Plant and Equipment	3	9,36,67,287	9,32,38,314
(b) Investment Property	3(i)	2,28,87,832	2,34,05,142
(c) Intangible Assets	3(ii)	2,84,681	-
(d) Financial Assets			
(i) Investments	4(i)	1,68,834	1,62,338
(ii) Loans and Advances	5	2,83,90,344	2,68,97,044
(e) Deferred Tax Assets (Net)	16	31,32,730	35,92,996
(f) Other Non-current Assets		-	-
Total Non-current Assets		14,85,31,708	14,72,95,834
Current Assets			
(a) Inventories & Work in progress	6	22,50,52,523	24,68,24,773
(b) Financial Assets			
(i) Investments	4(ii)	55,75,07,613	5,76,12,910
(ii) Trade Receivables	7	38,83,74,042	16,34,87,514
(iii) Cash and Cash Equivalents	8	2,19,93,298	3,77,81,519
(iv) Bank Balances other than above (iii)	9	15,35,36,450	11,24,53,658
(v) Other Financial Assets	10	16,69,60,420	23,78,42,781
(c) Current Tax Assets (Net)	22	1,17,68,685	-
(d) Other Current Assets	11	1,39,73,581	52,62,002
Total Current Assets		1,53,91,66,613	86,12,65,158
Total Assets		1,68,76,98,321	1,00,85,60,992
Equity and Liabilities			
Equity			
(a) Equity Share Capital	12	19,72,50,000	14,62,50,000
(b) Other Equity	13	1,33,67,86,264	55,33,07,802
Total Equity		1,53,40,36,264	69,95,57,802
Liabilities			
Non-current Liabilities			
(a) Financial Liabilities			
(i) Long-term borrowings	14	-	15,22,572
(b) Provisions	15	18,89,461	64,55,689
(c) Deferred Tax Liabilities (Net)		-	-
Total Non-current Liabilities		18,89,461	79,78,261
Current liabilities			
(a) Financial Liabilities			
(i) Short-term borrowings	17	1,32,396	1,13,20,707
(ii) Trade payables - total dues of:			
:small and micro enterprises			
:others than small and micro enterprises	18	1,79,91,288	13,93,45,623
(iii) Other financial liabilities	19	44,75,894	1,50,48,906
(b) Other current liabilities	20	12,91,21,453	10,77,45,706
(c) Provisions	21	51,564	75,000
(d) Current Tax Liability (Net)	22	-	2,74,88,987
Total Current Liabilities		15,17,72,595	30,10,24,929
Total Liabilities		1,68,76,98,321	1,00,85,60,992
Corporate Information	1		
Summary of significant accounting policies	2		

The accompanying notes form an integral part of the Ind AS financial statements

This is the Balance Sheet referred to in our report of even date

As per our report of even date

For and on behalf of Board of Directors

 For **NSVR & ASSOCIATES LLP**

FRN:008801S/S200060

Suresh Gannamani

Partner

Member Ship No:226870

UDIN: 21226870AAAADY2401

G Srinivasa Rao

Managing Director

DIN:01710775

G Sri Lakshmi

Director

DIN:02250598

Place: Hyderabad

Date: 11.06.2021

Sambasiva Rao K

Chief Financial Officer

Santhosh Kumar G

Company Secretary

Sudhanshu Shekhar

Chief Executive Officer



Statement of Profit and Loss

For the year ended March 31, 2021

(All amounts in INR, unless otherwise stated)

Particulars	Note No	For the period ended March 31, 2021	For the period ended March 31, 2020
Revenue			
Revenue from operations	23	1,90,62,17,079	1,61,23,83,142
Other income	24	2,31,53,998	1,55,18,725
Total Revenue		1,92,93,71,077	1,62,79,01,866
Expenses			
Raw Material Consumed	25	34,65,42,009	37,13,49,198
Construction expenses	26	78,02,41,214	65,03,20,125
Changes in inventories of work-in-progress	27	2,23,66,916	(4,77,59,642)
Employee benefits	28	30,73,33,324	29,04,28,371
Finance cost	29	67,06,363	1,36,40,215
Depreciation	3	2,45,57,739	3,09,37,899
Other expenses	30	5,78,88,924	5,13,29,465
Total expenses		1,54,56,36,488	1,36,02,45,631
Profit before tax		38,37,34,589	26,76,56,235
Tax expense:			
Current tax		9,49,60,719	7,32,22,121
Deferred tax		(11,22,727)	(73,97,427)
Tax expense		9,38,37,992	6,58,24,695
Profit for the year		28,98,96,596	20,18,31,541
Other comprehensive income			
a) (i) Items that will not be reclassified to profit or loss		62,89,205	(15,41,046)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(15,82,993)	3,87,881
b) (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Total Other comprehensive income for the year, net of tax		47,06,212	(11,53,165)
Total comprehensive income for the year, net of tax		29,46,02,809	20,06,78,376
Earnings per share:			
Basic earnings per share of Rs.10/-each		17.05	13.80
Diluted earnings per share of Rs.10/- each		17.05	13.80
Corporate Information	1		
Summary of significant accounting policies	2		

The accompanying notes form an integral part of the Ind AS financial statements

This is the Balance Sheet referred to in our report of even date

As per our report of even date

For and on behalf of Board of Directors

For **NSVR & ASSOCIATES LLP**

FRN:008801S/S200060

Suresh Gannamani

Partner

Member Ship No:226870

UDIN: 21226870AAAADY2401

G Srinivasa Rao

Managing Director

DIN:01710775

G Sri Lakshmi

Director

DIN:02250598

Place: Hyderabad

Date: 11.06.2021

Sambasiva Rao K

Chief Financial Officer

Santhosh Kumar G

Company Secretary

Sudhanshu Shekhar

Chief Executive Officer

Cash Flow statement

for the year ended 31 March 2021

(All amounts in INR, unless otherwise stated)

Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020
A. Cash Flow from Operating Activities:		
Profit before tax for the year	38,37,34,589	26,76,56,235
Adjustments for:		
Depreciation	2,45,57,739	3,09,37,899
Finance Charges	25,04,074	60,45,909
Dividend received	-	(1,82,200)
Interest Earned	(2,07,34,290)	(93,40,828)
Operating Profit before working capital changes	39,00,62,112	29,51,17,016
Adjustments for:		
(Increase) / Decrease in Inventory	2,17,72,250	(4,86,87,746)
(Increase) / Decrease in Trade receivables	(22,48,86,528)	(11,68,233)
(Increase) / Decrease in Long Term Loans and advances	(14,93,300)	(14,00,028)
(Increase) / Decrease in Current Financial assets	7,08,82,361	(8,44,54,100)
(Increase) / Decrease in Other Current assets	(79,57,335)	5,05,02,395
(Decrease) / Increase in Trade payables	(12,13,54,335)	2,37,27,687
(Decrease) / Increase in Provision for employee benefits	(45,89,664)	25,06,872
(Decrease) / Increase in Current Financial liabilities	(14,88,752)	1,29,313
(Decrease) / Increase in Other liabilities	2,13,75,747	2,16,09,486
Cash Generated from Operations	14,23,22,555	25,78,82,662
Taxes Paid (Net)	(13,42,18,391)	(7,56,96,120)
Net Cash (used) / from Operating Activities (A)	81,04,164	18,21,86,542
B. Cash Flow from Investing Activities:		
Purchase of Fixed Assets including Capital Advances and Capital Creditors	(2,47,54,083)	(1,52,80,747)
Investments	(49,99,01,199)	(5,76,39,248)
Dividend received	-	1,82,200
Interest Received	2,07,34,290	93,40,828
Net Cash from / (used) Investing Activities (B)	(50,39,20,992)	(6,33,96,967)
C. Cash Flow from Financing Activities:		
Interest Paid	25,04,074	(60,45,909)
Receipt / (Repayment) of Vehicle Loans (net)	(75,61,688)	(3,03,46,691)
Proceeds from issue of shares net of IPO Expenses	53,73,57,323	(12,04,046)
Net Cash from / (used) Financing Activities (C)	53,22,99,709	(3,75,96,645)
Net Increase/(Decrease) in cash and cash equivalents (A+B+C)	3,64,82,880	8,11,92,930
Cash and Cash equivalents at beginning of the year	13,89,14,471	5,77,21,541
Cash and Cash equivalents at end of the year	17,53,97,351	13,89,14,471

General Information

Note 1

Summary of significant accounting policies

Note 2

The accompanying notes form an integral part of the financial statements



Cash Flow statement

for the year ended 31 March 2021

1) Cash and Cash equivalents includes:

(All amounts in INR, unless otherwise stated)

Particulars	As at 31 March, 2021	As at 31 March, 2020
Cash on hand	15,47,182	98,542
Cash Equivalents		
- Current accounts	2,04,46,116	3,76,82,977
Margin money deposits	15,35,36,450	11,24,53,658
Shoret Term Borrowings From Banks	(1,32,396)	(1,13,20,707)
	17,53,97,351	13,89,14,471

As per our report of even date
For **NSVR & ASSOCIATES LLP**
FRN:008801S/S200060

For and on behalf of Board of Directors

Suresh Gannamani
Partner
Member Ship No:226870
UDIN: 21226870AAAADY2401

G Srinivasa Rao
Managing Director
DIN:01710775

G Sri Lakshmi
Director
DIN:02250598

Place: Hyderabad
Date: 11.06.2021

Sambasiva Rao K
Chief Financial Officer

Santhosh Kumar G
Company Secretary

Sudhanshu Shekhar
Chief Executive Officer

Statement of Changes in Equity

for the year ended 31 March 2021

Equity Share Capital

Particulars	As at 31 March, 2021		As at 31 March, 2020	
	Number of shares	Amount	Number of shares	Amount
Authorised:				
Equity Shares of INR 10 each.	2,00,00,000	20,00,00,000	2,00,00,000	20,00,00,000
Issued, subscribed and paid up:				
Equity Shares of INR 10 each fully paid up	1,97,25,000	19,72,50,000	1,46,25,000	14,62,50,000
Total	1,97,25,000	19,72,50,000	1,46,25,000	14,62,50,000

Other Equity

Particulars	Reserves and surplus		Other comprehensive income	Total
	General Reserve	Retained Earnings		
Balance as at March 31, 2019	17,55,632	45,28,83,259	4,44,581	45,50,83,471
Add: Profit during the year ended 31.03.2020	-	20,18,31,541	-	20,18,31,541
Re-measurement gains/(losses)	-	-	(11,53,165)	(11,53,165)
Less: Utilized for issue of bonus shares	-	(10,12,50,000)	-	(10,12,50,000)
Less: Expenses on IPO	-	(12,04,046)	-	(12,04,046)
Balance as at March 31, 2020	17,55,632	55,22,60,753	(7,08,584)	55,33,07,801
Add: Profit upto 31.03.2021	-	28,98,96,596	-	28,98,96,596
Re-measurement gains/(losses)	-	-	47,06,212	47,06,212
Less: Expenses on IPO	-	(7,21,24,346)	-	(7,21,24,346)
Add: Securities Premium	-	56,10,00,000	-	56,10,00,000
Balance as at March 31, 2021	17,55,632	1,33,10,33,004	39,97,628	1,33,67,86,264

 As per our report of even date
 For **NSVR & ASSOCIATES LLP**
 FRN:008801S/S200060

For and on behalf of Board of Directors

Suresh Gannamani
 Partner
 Member Ship No:226870
 UDIN: 21226870AAAADY2401

G Srinivasa Rao
 Managing Director
 DIN:01710775

G Sri Lakshmi
 Director
 DIN:02250598

 Place: Hyderabad
 Date: 11.06.2021

Sambasiva Rao K
 Chief Financial Officer

Santhosh Kumar G
 Company Secretary

Sudhanshu Shekhar
 Chief Executive Officer



Notes to the Financial Statements

for the year ended 31 March 2021.

DESCRIPTION OF THE COMPANY AND SIGNIFICANT ACCOUNTING POLICIES:

1. General Information:

Likhitha Infrastructures Limited is a limited Company incorporated in India in 1998. The address of its registered office is in the state of Telangana, India in accordance with the provisions of the Companies Act, 1956. The Company is engaged in the business of laying gas supply pipe lines and irrigation canals, building bridges over the canals and related maintenance works.

2. Significant Accounting Policies:

2.1 Statement of compliance:-

The financial statements comply in all material aspects with Indian Accounting Standard (Ind AS) notified under the Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

2.2 Basis of preparation and presentation:-

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

2.3 Estimates:-

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the year. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

2.4 Critical Accounting Estimates:

a. Employee Benefits

The present value of the employee benefits obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) includes the discount rate, wage escalation and employee attrition. The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

b. Depreciation & Amortization

Depreciation and amortization is based on management estimates of the future useful lives of certain class of property, plant and equipment and intangible assets.

Notes to the Financial Statements

for the year ended 31 March 2021.

c. Provisions & Contingencies

Provisions and contingencies are based on the Management's best estimate of the liabilities based on the facts known at the balance sheet date.

d. Fair Valuation:

All financial instruments are required to be fair valued as at the balance sheet date, as provided in Ind AS 109 and Ind AS 113. Being a critical estimate, judgments is exercised to determine the carrying values. The fair value of financial instruments that are unlisted and not traded in an active market is determined at fair values assessed based on recent transactions entered into with third parties, based on valuation done by external appraisers etc., as applicable.

2.5 Revenue Recognition:-

Revenue from contracts with customers:

Revenue is recognized when the company satisfies a performance obligation by transferring a promised good or service to its customers. The company considers the terms of the contract and its customary business practices to determine the transaction price. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and Goods and Service tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives / discounts. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

Other Income:

Interest Income

Interest Income mainly comprises of interest on Margin money deposit with banks relating to bank guarantee. Interest income should be recorded using the effective interest rate (EIR). However, the amount of margin money deposits relating to bank guarantee are purely current in nature, hence effective interest rate has not been applied. Interest is recognized using the time-proportion method, based on rates implicit in the transactions.

Dividend

Dividend income is recognized when the Company's right to receive dividend is established.

2.6 Foreign Currencies:-

Functional and presentation currency:

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates. The functional currency of the Company is Indian Rupee.

Transactions in foreign currency are recorded at the exchange rates prevailing on the date of transaction. Foreign currency monetary items outstanding at the balance sheet date are restated at the prevailing year end rates. The resultant gain / loss upon such restatement along with gain / loss on account of foreign currency transactions are accounted in the Statement of Profit and Loss.

2.7 Employee Benefits:-

Employee benefits include provident fund, superannuation fund, gratuity fund, compensated absences and post-retirement medical benefits.

Defined contribution plans:

The company's contribution to superannuation fund, considered as defined contribution plans are charged as an expense in the Statement of Profit and Loss based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans:

For defined retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Remeasurement.



Notes to the Financial Statements

for the year ended 31 March 2021.

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the Balance Sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form reductions in future contributions to the plans.

Short term employee benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Other long term employee benefits:

Other Long term employee benefit comprise of Leave encashment which is provided for based on the actuarial valuation carried out as at the end of the year.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

2.8 Earnings per Share:-

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

In a capitalization or bonus issue or a share split, the number of ordinary shares outstanding is increased without an increase in resources. The number of ordinary shares outstanding before the event is adjusted for the proportionate change in the number of ordinary shares outstanding as if the event had occurred at the beginning

of the earliest period presented.

2.9 Taxation:-

Income tax expense represents the sum of the tax currently payable and deferred tax.

2.9.1 Current Tax:-

Current tax expense comprises taxes on income from operations in India and foreign tax jurisdictions. Tax expense related to India is determined on the basis of the Income Tax Act, 1961 and quantified at the amount expected to be paid to the taxation authorities using the applicable tax rates. Tax expense relating to overseas operations is determined in accordance with the tax laws applicable in countries where such operations are domiciled.

2.9.2 Deferred Tax:-

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred tax for the year:

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised

Notes to the Financial Statements

for the year ended 31 March 2021.

in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.10 Property plant and equipment & Intangible Assets:-

Property, plant and equipment are carried at cost less accumulated depreciation/ amortization and impairment losses, if any. The cost of property, plant and equipment comprises its purchase price and other attributable expenditure incurred in making the asset ready for its intended use and interest on borrowings attributable to acquisition of qualifying property, plant and equipment up to the date the asset is ready for its intended use.

Property, plant and equipment retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately.

Depreciation and amortisation, Impairment:-

Depreciation has been provided on the written down value method as per the useful life as prescribed in Schedule II to the Companies Act, 2013 except in respect of following assets, in whose case, life of the assets has been assessed as under, based on technical advice, taking into account the nature of asset, the estimated usage of the asset, the operating conditions of the asset etc.

Type of Asset	Estimated useful life
Plant & Machinery	25
Plant & Machinery (IML)	25
Plant & Machinery (Vinegar)	25
Electrical Installations	25
Furniture & Fixtures	10
Office Equipment	5
Computers	6
Vehicles	8

All property, plant and equipment are tested for impairment at the end of each financial year. The impairment loss being the excess of carrying value over the recoverable value of the assets, if any, is charged to the statement of Profit

and Loss in the respective financial year. The impairment loss recognized in prior years is reversed in cases where the recoverable value exceeds the carrying value, upon reassessment in the subsequent years.

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date is disclosed as capital advances under other noncurrent assets. The cost of property, plant and equipment not ready to use before such date are disclosed under capital work-in-progress. Assets not ready for use are not depreciated.

Investment Property:

Investment property is property (land or a building—or part of a building—or both) held to earn rentals or for capital appreciation or both, rather than for:

- Use in the production or supply of goods or services or for administrative purposes; or
- Sale in the ordinary course of business.

Recognition and measurement:

An investment property shall be recognised as an asset when and only when:

- It is probable that the future economic benefits that are associated with the investment property will flow to the entity; and
- The cost of the investment property can be measured reliably.

An investment property shall be measured initially at its cost. Transaction costs shall be included in the initial measurement. The company adopted cost model prescribed in IND AS 16 for accounting its investment property.

Cost Model:

After recognition as an asset, an item of investment property shall be carried at its cost less any accumulated depreciation and any accumulated impairment losses.

Depreciation:

Depreciation on items of Investment Property is provided on written down value basis, computed on the basis of useful lives mentioned in Schedule II to the Companies Act, 2013.

Depreciation on additions / disposals is provided on a pro-rata basis i.e. from / up to the date on which asset is ready for use / disposed-off.



Notes to the Financial Statements

for the year ended 31 March 2021.

The residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

The estimated useful lives are as follows:

Type of Asset	Estimated useful life
Buildings	30
Land	NA

Intangible assets

Acquired computer software is capitalised on the basis of the costs incurred to acquire and bring to use the specific software. The Intangible assets that are acquired by the Company and that have finite useful lives are measured at cost less accumulated amortization and accumulated impairment losses.

Amortization

Amortization is recognized in the statement of profit and loss on a straight-line basis over the estimated useful lives of intangible assets or on any other basis that reflects the pattern in which the asset's future economic benefit are expected to be consumed by the entity. Intangible assets that are not available for use are amortized from the date they are available for use. The estimated useful lives are as follows:

Type of Asset	Estimated useful life
Intangible Assets	
Computer Software	3

The amortization period and the amortization method for intangible assets with a finite useful life are reviewed at each reporting date.

2.11 Inventories:-

Raw materials, stores and spares are valued at lower of cost and net realisable value. Cost is ascertained on the basis of "weighted average" method.

Finished goods are valued at lower of cost and net realisable values. Cost comprises, material and applicable manufacturing overheads and excise duty.

Stores and spares are valued at cost or below on weighted average basis.

2.12 Provisions, contingent liabilities and contingent assets:-

Provisions are recognised only when there is a present obligation as a result of past events and when a reasonable estimate of the amount of obligation can be made. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent liabilities are disclosed for (i) possible obligation which will be confirmed only by future events not wholly within the control of the Company or (ii) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

When it is probable at any stage of the contract, that the total cost will exceed the total contract revenue, the expected loss is recognised immediately.

2.13 Financial Instruments:-

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a. Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

Debt instrument at FVTPL

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss. The Company has not designated any debt instrument as at FVTPL.

Notes to the Financial Statements

for the year ended 31 March 2021.

Investment in equity instruments

All equity investments in scope of Ind AS 109 are measured at Fair Value. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Investments in subsidiaries and Associates

Investments in subsidiaries and associates are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and associates, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Company's balance sheet) when:

- a. The rights to receive cash flows from the asset have expired, or
- b. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Impairment of trade receivables

In accordance with Ind AS 109, the company applies the expected credit loss (ECL) model for measurement and recognition of impairment loss on the trade receivables or any contractual right to receive cash or another financial asset. As Company trade receivables are realised within normal credit period adopted by the company, hence the company trade receivables are not impaired.

b. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value i.e., loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in the statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process.



Notes to the Financial Statements

for the year ended 31 March 2021.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Fair value measurement

The Company classifies the fair value of its financial instruments in the following hierarchy, based on the inputs used in their valuation:

- i) **Level 1:** The fair value of financial instruments quoted in active markets is based on their quoted closing price at the balance sheet date.
- ii) **Level 2:** The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques using observable market data. Such valuation techniques include discounted cash flows, standard valuation models based on market parameters for interest rates, yield curves or foreign exchange rates, dealer quotes for similar instruments and use of comparable arm's length transactions.
- iii) **Level 3:** The fair value of financial instruments that are measured on the basis of entity specific valuations using inputs that are not based on observable market data (unobservable inputs).

2.14 Impairment of Non –Financial Assets:

The carrying amounts of the Company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite lives or that are not yet available for use, an impairment test is performed each year at March 31.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or the cash-generating unit. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognized in the statement of profit and loss if the estimated recoverable amount of an asset or its cash-generating unit is lower than its carrying amount. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

2.15 Current and Non-Current Classification:-

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

Assets: An asset is classified as current when it satisfies any of the following criteria:

- a. It is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b. It is held primarily for the purpose of being traded;
- c. It is expected to be realised within twelve months after the reporting date; or
- d. It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Liabilities: A liability is classified as current when it satisfies any of the following criteria:

- a. It is expected to be settled in the Company's normal operating cycle;
- b. It is held primarily for the purpose of being traded;
- c. It is due to be settled within twelve months after the reporting date; or

Notes to the Financial Statements

for the year ended 31 March 2021.

- d. The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current assets / liabilities include the current portion of non-current assets / liabilities respectively. All other assets/ liabilities are classified as non-current.

2.16 Cash & Cash Equivalents:

Cash and bank balances comprise of cash balance in hand, balance in current accounts with banks, demand deposit, short-term deposits, Margin Money deposits and unclaimed dividend accounts. For this purpose, "short-term" means investments having maturity of three months or less from the date of investment. Bank overdrafts that are repayable on demand and form an integral part of our cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows. The Margin money deposits and unclaimed dividend balances shall be disclosed as restricted cash balances.

2.17 Borrowing Cost:

Borrowing costs consist of interest, ancillary and other costs that the Company incurs in connection with the borrowing of funds and interest relating to other financial liabilities. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed to Profit & Loss statement in the period in which they occur.

2.18 Trade Receivables:

Trade receivables are initially recognized at fair value and subsequently measured at amortised cost using effective interest method, less provision for impairment, if any.

2.19 Trade and Other Payables:

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are presented as current liabilities unless payment is not due within twelve months after the reporting period. They are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

2.20 Determination of Fair Value

The Company's accounting policies and disclosures require the determination of fair value, for certain financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

(i) Property, plant and equipment

Property, plant and equipment, if acquired in a business combination or through an exchange of non-monetary assets, is measured at fair value on the acquisition date. For this purpose, fair value is based on appraised market values and replacement cost.

(ii) Intangible assets

The fair value of brands, technology related intangibles, and patents and trademarks acquired in a business combination is based on the discounted estimated royalty payments that have been avoided as a result of these brands, technology related intangibles, patents or trademarks being owned (the "relief of royalty method"). The fair value of customer related, product related and other intangibles acquired in a business combination has been determined using the multi-period excess earnings method after deduction of a fair return on other assets that are part of creating the related cash flows.

(iii) Inventories

The fair value of inventories acquired in a business combination is determined based on its estimated selling price in the ordinary course of business less the estimated costs of completion and sale, and a reasonable profit margin based on the effort required to complete and sell the inventories.

(iv) Investments in equity and debt securities and units of mutual funds

The fair value of marketable equity and debt securities is determined by reference to their quoted market price at the reporting date. For debt securities where quoted market prices are not available, fair value is determined using pricing techniques such as discounted cash flow analysis.



Notes to the Financial Statements

for the year ended 31 March 2021.

In respect of investments in mutual funds, the fair values represent net asset value as stated by the issuers of these mutual fund units in the published statements. Net asset values represent the price at which the issuer will issue further units in the mutual fund and the price at which issuers will redeem such units from the investors.

Accordingly, such net asset values are analogous to fair market value with respect to these investments, as transactions of these mutual funds are carried out at such prices between investors and the issuers of these units of mutual funds.

2.21 Segment Reporting:-

The Managing Director of the company has been identified as being the Chief Operating Decision Maker (CODM). In the opinion of the management, the company operates in only one segment i.e. laying of gas pipe lines and development of allied infrastructure. Accordingly, disclosure of segment information as prescribed in the Indian accounting standard 108 "Operating segments" is not applicable.

2.22 Global Health Pandemic on COVID-19

The novel coronavirus (COVID-19) pandemic continues to spread across the globe including India. COVID-19 has taken its toll on not just human life, but business and financial markets too. With substantial increase in COVID-19 cases across different parts of the country, governments have introduced a variety of measures to contain the spread of the

virus, including, lockdowns, and restrictions on movement of people and goods across different geographies.

There has been no material change in the controls or processes followed in the closing of the financial statements of the Company.

The management has, at the time of approving the financial statements, assessed the potential impact of the COVID-19 pandemic on the Company. Based on the current assessment, the management is of the view that impact of COVID-19 on the operations of the Company and the carrying value of assets and liabilities is minimal. The ongoing COVID-19 situation may result in some changes in the overall economic and market conditions, which may intern have an impact on the operations of the Company.

2.23 "Code on Security, 2020":-

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

Notes to the Financial Statements

for the year ended 31 March 2021.

Note No . 3 Property, Plant and Equipment (Investment Property)

Particulars	Plant and Equipment	Furniture and Fixtures	Vehicles	Office equipment	Computers	Total
Gross Block						
As at 1 April, 2019	12,15,69,741	1,19,158	1,69,32,767	15,04,609	14,38,907	14,15,65,182
Additions during the Year	55,87,043	1,50,814	27,43,306	3,21,203	9,08,525	97,10,892
Deductions during the Year	-	-	-	-	-	-
As at 31 March 2020	12,71,56,784	2,69,972	1,96,76,073	18,25,812	23,47,432	15,12,76,074
Additions during the Year	1,82,42,154	39,23,115	1,58,932	5,07,165	16,22,717	2,44,54,083
Deductions during the Year	-	-	-	-	-	-
As at 31 March 2021	14,53,98,938	41,93,087	1,98,35,005	23,32,977	39,70,149	17,57,30,157
Depreciation						
As at 1 April, 2019	2,37,85,417	30,486	32,53,017	1,29,972	3,68,388	2,75,67,280
For the Period	2,30,48,679	44,555	54,23,308	13,16,527	6,37,410	3,04,70,479
On deductions	-	-	-	-	-	-
As at 31 March 2020	4,68,34,096	75,041	86,76,325	14,46,499	10,05,798	5,80,37,759
For the Period	1,81,75,128	10,71,217	31,04,791	5,31,934	11,42,040	2,40,25,110
On deductions	-	-	-	-	-	-
As at 31 March 2021	6,50,09,224	11,46,258	1,17,81,116	19,78,433	21,47,838	8,20,62,869
Net Block						
As at 1 April, 2019	9,77,84,324	88,672	1,36,79,750	13,74,637	10,70,519	11,39,97,902
As at 31 March 2020	8,03,22,688	1,94,931	1,09,99,748	3,79,313	13,41,635	9,32,38,314
As at 31 March 2021	8,03,89,714	30,46,829	80,53,889	3,54,544	18,22,312	9,36,67,287

Note : 3 (i) Investment Property

Particulars	Land	Buildings
As at 1 April, 2019	1,80,19,255	64,95,014
Additions during the Period	-	-
Deductions during the Period	-	-
As at 31 March 2020	1,80,19,255	64,95,014
Additions during the Period	-	-
Deductions during the Period	-	-
As at 31 March 2021	1,80,19,255	64,95,014
Depreciation		
As at 1 April, 2019		6,41,707
For the Period	-	4,67,420
On deductions	-	-
As at 31 March 2020	-	11,09,127
For the Period	-	5,17,310
On deductions	-	-
As at 31 March 2021	-	16,26,437
As at 1 April, 2019	1,80,19,255	58,53,307
As at 31 March 2020	1,80,19,255	53,85,887
As at 31 March 2021	1,80,19,255	48,68,577



Notes to the Financial Statements

for the year ended 31 March 2021.

Note : 3(ii) Intangible Assets

Particulars	Buildings
As at 1 April, 2020	-
Additions during the Period	3,00,000
Deductions during the Period	-
As at 31 March 2021	3,00,000
Depreciation	
As at 1 April, 2020	-
For the Period	15,319
On deductions	-
As at 31 March 2021	15,319
As at 31 March 2020	-
As at 31 March 2021	2,84,681

Note No. 4(i) Non Current Investments

Particulars	As at March 31, 2021	As at March 31, 2020
Deposit accounts	1,68,834	1,62,338
Total	1,68,834	1,62,338

Note No. 4(ii) Current Investments

Particulars	As at March 31, 2021	As at March 31, 2020
Fixed Deposits with Banks	55,75,07,613	5,76,12,910
Total	55,75,07,613	5,76,12,910

Note No. 5 Loans and Advances

Particulars	As at March 31, 2021	As at March 31, 2020
Security and other Deposits	2,83,90,344	2,68,97,044
Total	2,83,90,344	2,68,97,044

Note No. 6 Inventories & Work in progress

Particulars	As at March 31, 2021	As at March 31, 2020
Work-in-progress(at cost)	22,11,89,003	24,35,55,919
Stores and Spares(at cost)	38,63,520	32,68,854
Total	22,50,52,523	24,68,24,773

Notes to the Financial Statements

for the year ended 31 March 2021.

Note No. 7 Trade Receivables

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, Considered Good		
Trade Receivables	38,83,74,042	16,34,87,514
Total	38,83,74,042	16,34,87,514

Note No.8 Cash and Cash Equivalents

Particulars	As at March 31, 2021	As at March 31, 2020
Cash on hand	15,47,182	98,542
Balances with banks in - Current accounts	2,04,46,116	3,76,82,977
Total	2,19,93,298	3,77,81,519

Note No.9 Bank Balances other than above

Particulars	As at March 31, 2021	As at March 31, 2020
Balances with banks (Restricted Use) - Margin money deposits	15,35,36,450	11,24,53,658
Total	15,35,36,450	11,24,53,658

Note No.10 Other Financial Assets

Particulars	As at March 31, 2021	As at March 31, 2020
Retention Money Receivable	16,69,60,420	23,58,22,551
Other Receivables	-	19,80,230
Rent Receivable	-	40,000
Total	16,69,60,420	23,78,42,781

Note No.11 Other Current Assets

Particulars	As at March 31, 2021	As at March 31, 2020
Advance for Expenses	99,87,067	14,60,399
Prepaid expenses	29,11,496	23,65,218
Deposits paid under protest	10,75,018	10,75,018
Due from Staff	-	3,61,367
Total	1,39,73,581	52,62,002



Notes to the Financial Statements

for the year ended 31 March 2021.

Note No. 12 Equity Share Capital

Particulars	As at 31 March, 2021		As at 31 March, 2020	
	Number of shares	Amount	Number of shares	Amount
Authorised:				
Equity Shares of INR 10 each.	2,00,00,000	20,00,00,000	2,00,00,000	20,00,00,000
Issued, subscribed and paid up:				
Equity Shares of INR 10 each fully paid up	1,97,25,000	19,72,50,000	1,46,25,000	14,62,50,000
Total	1,97,25,000	19,72,50,000	1,46,25,000	14,62,50,000

i. Details of share holders holding more than 5% of total number of shares

Particulars	As at 31 March, 2021		As at 31 March, 2020	
	Number of shares	%	Number of shares	%
Sri G.S.Rao	1,42,51,250	74.11%	1,42,51,250	97.45%

ii. Reconciliation of Number of Shares Outstanding:

Particulars	As at 31 March, 2021		As at 31 March, 2020	
	Number of shares	%	Number of shares	%
Balance at the beginning of the year	1,46,25,000	14,62,50,000	45,00,000	4,50,00,000
Balance at the end of the year	1,97,25,000	19,72,50,000	1,46,25,000	14,62,50,000

iii. Rights, Restrictions and Preference attached to equity Shares including declaration of dividend

The company has only one class of equity shares having a face value of INR 10 per share with one vote per each equity share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential creditors. The distribution will be in proportion to the number of equity shares held by the shareholders.

iv. Details of the Bonus shares issued for the last 5 years immediately preceding the current period

During the financial year 2017-18 the Company has allotted 35,00,000 of INR 10 fully paid-up equity shares as bonus shares to the existing equity share holders of the Company in the ratio of 3.5:1.

During the financial year 2019-20 the Company has allotted 1,01,25,000 of INR 10 fully paid-up equity shares as bonus shares to the existing equity share holders of the Company in the ratio of 3.25:1

During the financial year 2020-21 the company has successfully completed its Initial Public Offer (IPO) of 51,00,000 equity shares of Rs.10/- each at a price of Rs.120/- per share (including a premium of 110 per share). Shares offered in IPO were allotted on 12th October 2020 and listed on 15th October 2020. With this allotment the paid up share capital has become Rs.1972.50 Lakhs.

The Board of Directors, in its meeting on June 11, 2021 have recommended a dividend of 1.50 per share for the year ended March 31, 2021. The proposal is subject to the approval of shareholders at the ensuing Annual General Meeting and has not been included as a liability in these financial statements.

Notes to the Financial Statements

for the year ended 31 March 2021.

Note No. 13 Other Equity

Particulars	Reserves and surplus		Other comprehensive income	Total
	General Reserve	Retained Earnings		
Balance as at March 31, 2019	17,55,632	45,28,83,259	4,44,581	45,50,83,471
Add: Profit during the year ended 31.03.2020	-	20,18,31,541	-	20,18,31,541
Re-measurement gains/(losses)	-	-	(11,53,165)	(11,53,165)
Less: Utilized for issue of bonus shares	-	(10,12,50,000)	-	(10,12,50,000)
Less: Expenses on IPO	-	(12,04,046)	-	(12,04,046)
Balance as at March 31, 2020	17,55,632	55,22,60,753	-7,08,584	55,33,07,802
Add: Profit upto 31.03.2021	-	28,98,96,596	-	28,98,96,596
Re-measurement gains/(losses)	-	-	47,06,212	47,06,212
Less: Expenses on IPO	-	(7,21,24,346)	-	(7,21,24,346)
Add: Securities Premium	-	56,10,00,000	-	56,10,00,000
Balance as at March 31, 2021	17,55,632	1,33,10,33,004	39,97,628	1,33,67,86,264
Less: Expenses on IPO	-	-7,21,24,346	-	-7,21,24,346
Add: Securities Premium	-	56,10,00,000	-	56,10,00,000
Balance as at March 31, 2021	17,55,632	1,33,10,33,004	39,97,628	1,33,67,86,264

Securities Premium has been created consequent to issue of shares at premium. These reserves can be utilised in accordance with Section 52 of the Companies Act, 2013.

Note No.14 Long-term borrowings

Particulars	As at March 31, 2021	As at March 31, 2020
Long term maturities of finance lease obligations		15,22,572
Total	-	15,22,572

Finance lease obligations:

- Loans taken from Banks and Financial Institution on Hypothecation of vehicles and equipments.
- Loans from Srei Equipment Finance Limited are repayable in 17 to 29 equal monthly installments start from Feb, 18 and carries interest 6.48% to 6.51% per annum and loans from ICICI Bank Limited are repayable in 30 to 36 equal monthly installments and carries interest 8.75% to 10.51% per annum.

Note No.15 Long Term Provisions

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for employee retirement benefits		
: Gratuity	18,89,461	45,38,325
: Compensated Absences	-	19,17,364
Total	18,89,461	64,55,689



Notes to the Financial Statements

for the year ended 31 March 2021.

Note No.16 Deferred Tax Liabilities (Net)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred Tax Liabilities (Net)	(31,32,730)	(35,92,996)
Total	(31,32,730)	(35,92,996)

Note No.17 Short-term borrowings

Particulars	As at March 31, 2021	As at March 31, 2020
Secured Loan repayable on demand from:		
From Banks	1,32,396	1,13,20,707
Total	1,32,396	1,13,20,707

Secured Loan repayable on demand from Yes Bank Limited is Secured by (i) Exclusive charge by way of hypothecation on current assets, both present and future, (ii) Exclusive charge by way of equitable mortgage of designated personal properties of Directors and relatives of the directors and (iii) unconditional and irrecoverable personal guarantee of relatives of the directors.

Secured Loan repayable on demand from ICICI Bank Ltd is Secured by First pari-passu charge on fixed assets and entire current assets of the company, both present and future and exclusive collateral security of vacant site and property of Sri G Srinivasa Rao - Director (i) vacant site at Chinamushidiwada admeasuring 2186.2 sq. yds. covered by Sy No 71/13 & 71/19 (ii) property at Chinamudhishwada admeasuring 2081.2 sq. yds. covered by Sy No 71/12 and part of 71/19 and admeasuring 1524.6 sq. yds. ,556.60 sq. yds.covered by Sy No 71/17A & 18A and (iii) vacant site admeasuring 278.3 covered by Sy No 71/5D and personal guarantees of the Directors.

Note No.18 Trade payables

Particulars	As at March 31, 2021	As at March 31, 2020
Dues to: Small and Micro Enterprises*		
: Other than Small and Micro Enterprises	1,79,91,288	13,93,45,623
Total	1,79,91,288	13,93,45,623

Note No.19 Other financial liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Current maturities of finance lease obligations	15,22,571	1,06,06,831
Liabilities for expenses	28,93,323	43,82,075
Deposits payable	60,000	60,000
Total	44,75,894	1,50,48,906

Note No.20 Other current liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Statutory dues payable	4,69,67,444	2,92,72,404
Employee Benefits payable	2,18,11,862	3,02,64,139
Remuneration Payable	6,03,42,147	4,82,09,163
Total	12,91,21,453	10,77,45,706

Notes to the Financial Statements

for the year ended 31 March 2021.

Note No.21 Short Term Provisions

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for Employee Benefits		
: Gratuity	51,564	75,000
Total	51,564	75,000

Note No.22 Current Tax Liability (Net)

Particulars	As at March 31, 2021	As at March 31, 2020
Current Tax Liability (Net)	(1,17,68,685)	2,74,88,987
Total	(1,17,68,685)	2,74,88,987

Note No.23 Revenue from Operations

Particulars	01.04.2020 to 31.03.2021	01.04.2019 to 31.03.2020
Revenue from Operations	1,90,62,17,079	1,61,23,83,142
Total	1,90,62,17,079	1,61,23,83,142

Note No.24 Other income

Particulars	01.04.2020 to 31.03.2021	01.04.2019 to 31.03.2020
Recurring other income		
Not related to business activity		
Interest Income	2,07,34,290	93,40,828
Rent earned	4,80,000	4,80,000
Dividend from Chits	-	1,82,200
Non-recurring other income		
Not related to business activity		
Insurance Claim	64,849	10,40,500
Related to business activity		
Other Operating Income	17,15,386	-
Discount Received	1,59,473	-
Sales Tax Refund	-	44,75,197
Total	2,31,53,998	1,55,18,725

Note No.25 Raw Material Consumed

Particulars	01.04.2020 to 31.03.2021	01.04.2019 to 31.03.2020
Opening Stock of raw material	32,68,854	23,40,750
Add: Purchases during the year	34,71,36,675	37,22,77,302
Less: Closing stock of raw material	(38,63,520)	(32,68,854)
Total	34,65,42,009	37,13,49,198



Notes to the Financial Statements

for the year ended 31 March 2021.

Note No.26 Construction expenses

Particulars	01.04.2020 to 31.03.2021	01.04.2019 to 31.03.2020
Sub Contract Expenses	58,93,01,217	52,07,65,019
Hire Charges	7,11,31,762	5,52,12,484
Power and Fuel	7,76,97,760	4,41,38,611
Rates and Taxes	1,67,95,809	1,58,66,710
Repairs to: Plant and Machinery	27,82,205	12,31,395
Repairs to: Other Assets	9,29,894	9,89,986
Other expenses	2,16,02,568	1,21,15,919
Total	78,02,41,214	65,03,20,125

Note No.27 Changes in inventories of work-in-progress

Particulars	01.04.2020 to 31.03.2021	01.04.2019 to 31.03.2020
Opening work-in-progress	24,35,55,919	19,57,96,277
Closing work-in-progress	22,11,89,003	24,35,55,919
Total	2,23,66,916	-4,77,59,642

Note No. 28 Employee benefits

Particulars	01.04.2020 to 31.03.2021	01.04.2019 to 31.03.2020
Salaries and Wages	23,97,04,613	22,02,18,278
Directors Remuneration	3,60,00,000	3,60,00,000
Contribution to provident fund and other funds	1,51,20,430	1,34,06,966
Gratuity	15,70,886	13,99,739
ESI	67,69,904	67,12,981
Leave Encashment	1,28,655	11,07,133
Staff welfare expenses	80,38,836	1,15,83,274
Total	30,73,33,324	29,04,28,371

Note No.29 Finance costs

Particulars	01.04.2020 to 31.03.2021	01.04.2019 to 31.03.2020
Hire Purchase Charges	11,87,685	20,05,627
Interest on Working Capital Loans	5,00,194	36,14,571
Interest Others	8,16,195	4,25,711
Other borrowing costs	42,02,289	75,94,306
Total	67,06,363	1,36,40,215

Notes to the Financial Statements

for the year ended 31 March 2021.

Note No.30 Other expenses

Particulars	01.04.2020 to 31.03.2021	01.04.2019 to 31.03.2020
Rent	2,89,99,960	1,73,15,456
Insurance	69,23,798	48,60,670
Rates and taxes, excluding, taxes on income	-	22,500
Advertisement and Business Promotion expenses	3,12,762	44,10,861
Legal and Professional Charges	1,87,180	45,08,351
Auditors Remuneration	5,45,000	3,00,000
Donation	15,11,000	-
Corporate Social Responsibility Expenses	42,00,000	33,00,000
Communication Expenses	3,61,451	1,70,338
Travelling and Conveyance expenses	24,83,549	39,39,486
Commission and Loss on Chit Fund	-	7,70,000
Bank Charges	12,34,036	43,87,755
General expenses	1,11,30,188	73,44,048
Total	5,78,88,924	5,13,29,465

31 Additional information to the financial statements:-

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

A. Commitments:-

Estimated amount of contract remaining to be executed on capital account and not provided for Rs Nil (2021: Rs Nil) (2020: Rs Nil).

B. Contingent liabilities to the extent not provided for:-

I. Guarantees issued by Banks:-

Particulars	As at March 31, 2021	As at March 31, 2020
Guarantees issued by Banks	55,76,44,459	600,366,167

II. Disputed Demand:-

Particulars	As at March 31, 2021	As at March 31, 2020	Forum Where Dispute is Pending
Telangana Value Added Tax Act, 2005 Demand under Rule 17 (1) (e) of the APVAT Rules, 2005 Financial Year 2008-2009 [Rs. 307,190/- was paid under protest]	614,381	614,381	Sales Tax Tribunal
Demand under Rule 17 (1) (e) of the APVAT Rules, 2005 Financial Year 2009-2010 [Rs. 767,828/- was paid under protest]	1,535,656	1,535,656	Sales Tax Tribunal
Income tax Act, 1961			
Order u/s. 143 (3) Income tax Act, 1961 Assessment Year 2017-18	2,21,02,029	2,21,02,029	Income Tax Tribunal
Order u/s. 143 (3) Income tax Act, 1961 Assessment Year 2018-19	3,06,52,410	-	Income Tax Tribunal
Order u/s. 143 (3) Income tax Act, 1961 Assessment Year 2019-20	3,15,960	-	Income Tax Tribunal



Notes to the Financial Statements

for the year ended 31 March 2021.

31 Additional information to the financial statements:- (Contd..)

31.2 Earnings per share:-

Particulars	As at March 31, 2021	As at March 31, 2020
I. Net Profit as per P&L A/c available for Equity Shareholders	289,896,596	201,831,541
II Weighted Average Number of Equity Shares for Earnings Per Share Computation		
A. For Basic Earnings Per Share of ` 10 each	19,725,000	14,625,000
B. For Diluted Earnings Per Share of ` 10 each:	19,725,000	14,625,000
No. of Shares for Basic EPS as per II A	19,725,000	14,625,000
No. of Shares for Diluted EPS of ` 10 each	19,725,000	14,625,000
Earnings Per Share (Weighted Average)		
- Basic	17.05	13.80
- Diluted	17.05	13.80

31.3 Related Party Transactions:-

Related party transactions have been disclosed in accordance with Ind AS 24 'Related Party Disclosures'

(a) Names of the related parties and description of the relationship

Name of related parties	Nature of relationship
G.Srinivasa Rao	Managing Director
G.Srilakshmi	Director
Santhosh Kumar Gunemoni	Company Secretary
Sambasiva Rao Ketineni	Chief Financial Officer
Sudhanshu Sekhar	Chief Executive Officer
G Kutumba Rao	Director
G. Likhitha	Director
Talpa Sai Venkata Sesha Munupalle	Director
Jnanindra Kumar Dhar	Director
Venkatram	Director
Sivasankara Parameswara Kurup Pillai	Director
Veriedge Technologies Pvt Ltd	The entity and the reporting entity are under the control of the same person.

Related party transactions	As on March 31, 2021	As on March 31, 2020
Remuneration		
G. Srinivasa Rao	36,000,000	52,000,000
G. Srilakshmi	-	-
Narasimha Sekhar Narahari (Ex CFO)	1,33,000	641,917
Sambasiva Rao Ketineni (CFO)	1,10,000	-
Santhosh Kumar Gunemoni	4,44,000	160,000
Sudhanshu Sekhar	16,12,000	1,019,032
Rent		
G Kutumba Rao (including hire charges)	1,50,835	180,000
G. Srinivasa Rao	18,58,500	2,400,000
Directors sitting fee		
Talpa Sai Venkata Sesha Munupalle	1,80,000	20,000

Notes to the Financial Statements

for the year ended 31 March 2021.

31 Additional information to the financial statements:- (Contd..)

31.3 Related Party Transactions:- (Contd..)

Related party transactions	As on March 31, 2021	As on March 31, 2020
Jnanindra Kumar Dhar	1,00,000	30,000
Venkatram	40,000	-
Sivasankara Parameswara Kurup Pillai	2,40,000	1,90,000
Professional Charges		
G. Likhitha	-	1,900,000

31.4 Employee Benefit Plan:-

(a) Defined Contribution Plans:-

The Company has recognised following amounts as Expense in the Statement of Profit and Loss.

Particulars	As on March 31, 2021	As on March 31, 2020
Provident Fund	1,50,37,172	13,406,966
Employee State Insurance	67,69,904	6,712,981

(b) Defined Benefit Plans:-

(a). Compensated Absences: (Included as part of Salaries, Wages and Bonus) The Company's liability towards un-funded compensated absences is determined by independent actuarial valuation using the projected unit credit method which 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.

Compensated benefits is payable to all the eligible employees of the Company on any type of separation from the Company on the balance of unutilized leaves as per the Company Rules. Benefits would be paid at the time of separation based on last drawn basic salary.

Particulars	As on March 31, 2021	As on March 31, 2020
Expenses recognised in Statement of Profit and Loss	128,655	1,107,133

b. Gratuity:

The Company has a funded defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service as per the provisions of the Payment of Gratuity Act, 1972 (as amended).

The plan exposes the Company to actuarial risks such as interest rate risk, investment risk, longevity risk and inflation risk.

The following table set out the funded status of the gratuity and the amounts recognized in the Company's financial statements as at March 31, 2021:



Notes to the Financial Statements

for the year ended 31 March 2021.

31 Additional information to the financial statements:- (Contd..)

b. Gratuity: (Contd..)

Change in benefit obligation

Particulars	As on March 31, 2021	As on March 31, 2020
Opening balance of benefit obligations	4,613,326	1,672,540
Current service cost	1,261,332	1,312,020
Interest cost	309,554	87,719
Actuarial (Gain) /loss	(4,243,182)	1,541,046
Benefits paid	-	-
Closing balance of benefit obligations	1,941,029	4,613,326

Expenses recognised in the statement of profit and loss for the year

Particulars	As on March 31, 2021	As on March 31, 2020
Current service cost	1,261,332	1,312,020
Past service cost	-	-
Interest cost	309,554	87,719
Total expenses included in employee benefits expense	1,570,886	1,399,739

Recognised in other comprehensive income for the year

Related party transactions	As on March 31, 2021	As on March 31, 2020
Changes in financial assumptions	(21,278)	1,541,046
Experience variance (i.e. Actual experience Vs. assumptions)	(42,21,904)	-
Actuarial (Gain) / Loss on plan assets	-	-
Recognised in other comprehensive income	(4,243,182)	1,541,046

31.5 Transactions in Foreign Currency:-

Particulars	As on March 31, 2021	As on March 31, 2020
Expenditure In Foreign Currency Material	-	1,674,394

Total value of all imported raw materials, spare parts and components consumed during the financial year and the total value of all indigenous raw materials, spare parts and Components consumed and the percentage of each to the total consumption:

Particulars	As at 31 March, 2021		As at 31 March, 2020	
	%	Amount	%	Amount
Indigenous purchases	100.00	34,71,36,675	99.55	370,602,908
Imported purchases	0.00	-	0.45	1,674,394
Total	100.00	34,71,36,675	100.00	372,277,302

Notes to the Financial Statements

for the year ended 31 March 2021.

31 Additional information to the financial statements:- (Contd..)

31.6 Income Taxes:

a. Income tax expense / (benefit) recognized in the statement of profit and loss:

Income tax expense / (benefit) recognized in the statement of profit and loss consists of the following:

Particulars	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Current taxes expense		
Domestic (whichever is higher of a or b)		
a. Tax as per Normal Income Tax Provisions	94,960,719	73,222,121
b. Deferred taxes expense/(benefit)	(1,122,727)	(7,397,427)
Total income tax expense/(benefit) recognized in the statement of profit and loss	93,837,992	65,824,695

b. Reconciliation of Effective Tax Rates:

Particulars	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Profit before income taxes	383,734,589	267,656,235
Enacted tax rate in India	25.17%	25.17%
Computed expected tax benefit/(expense)	96,585,996	67,369,074
Tax Effect of:		
Expenses not deductible for Tax purposes	84,73,420	10,904,877
Expenses deductible for Tax purposes	1,00,98,697	5,051,830
Income tax benefit/(expense)	94,960,719	73,222,121
Effective tax rate	24.75%	27.36%

The Effective tax rate for 31.03.2021 was 24.75% and for 31.03.2020 was 27.36%.

c. Deferred tax assets & Liabilities:

The tax effects of significant temporary differences that resulted in deferred tax assets and liabilities and a description of the items that created these differences is given below:

Particulars	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Deferred tax assets/(liabilities):		
Property, plant and equipment	(2,245,668)	463,373
On Account of Others	(887,062)	3,129,623
Net deferred tax assets/(liabilities)	(3,132,730)	3,592,996

31.7 Financial Risk management:-

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables, and cash and cash equivalents those are derived directly from its operations.

The Company's activities expose it to a variety of financial risks, including credit risk, liquidity risk and Market risk. The Company's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors, risk



Notes to the Financial Statements

for the year ended 31 March 2021.

31 Additional information to the financial statements:- (Contd..)

31.7 Financial Risk management:- (Contd..)

Management committee and the Audit Committee is responsible for overseeing the Company's risk assessment and management policies and processes.

(a) Market Risk:-

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk are deposits with Banks.

The analysis excludes the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities.

The following assumptions have been made in calculating the sensitivity analysis:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held as at March 31, 2021 and March 31, 2020.

(i) Interest Rate Risk:-

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company has no outstanding bank borrowings. The company believes that the working capital available is sufficient to meet its current requirements. The company's exposure to interest rate risk arises primarily from deposits with Banks.

The following tables demonstrate the sensitivity to a reasonably possible change in interest rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in interest rate on deposits with Banks. The Company's exposure to interest rate changes as on March 31, 2021.

(ii) Foreign Currency Risk:-

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities i.e. Cost of material which is denominated in a foreign currency though the same is payable in INR.

As the Company doesn't have significant transactions in foreign currency hence there is no impact on the financial statements because of foreign currency risk except as stated above.

(b) Credit Risk:-

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

In the opinion of the Management of the Company the loss due to credit risk has no significant impact on financial statements as majority of company's customers are Government companies. From past experience of realizing financial assets company does not foresee any Expected credit loss (ECL) on trade receivables

Notes to the Financial Statements

for the year ended 31 March 2021.

31 Additional information to the financial statements:- (Contd..)

(c) Liquidity Risk:-

The Company monitors its risk of shortage of funds using a liquidity planning tool.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, trade and other payables. Liquidity risk is that the Company might be unable to meet its obligations. The Company's approach to managing liability is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions. The company believes that the available working capital is sufficient to meet its current requirements.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

As at March 31, 2021	On demand	Less than 1 Year	1 to 5 years	Others	Total
Long-term borrowings	-	1,522,572	-	-	1,522,572
Short-term borrowings	132,396	-	-	-	132,396
Trade payables	17,991,288	-	-	-	17,991,228
Other financial & Other liabilities	13,40,15,801	-	-	-	13,40,15,801

As at March 31, 2020	On demand	Less than 1 Year	1 to 5 years	Others	Total
Long-term borrowings	-	10,606,831	1,522,572	-	12,129,403
Short-term borrowings	11,320,707	-	-	-	11,320,707
Trade payables	139,345,623	-	-	-	139,345,623
Other financial & Other liabilities	14,62,07,457	-	-	-	14,62,07,457

31.8 Capital Management:-

For the purpose of the Company's capital management, capital includes issued capital and all other equity including reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value.

As at March 31, 2021, the Company has only one class of equity shares and has no debt except finance lease obligations and short-term borrowings. Consequent to such capital structure, there are no externally imposed capital requirements. In order to maintain or achieve an optimal capital structure, the Company allocates its capital for distribution as dividend or re-investment into business based on its long term financial plans.

The company's Debt Equity ratio is as follows:

Particulars	₹ in Lakhs	
	As at March 31, 2021	As at March 31, 2020
Total Debt	1536.62	3,090.03
Total Equity	15,340.36	6,995.57
Debt Equity Ratio	0.10:1	0.44:1



Notes to the Financial Statements

for the year ended 31 March 2021.

31 Additional information to the financial statements:- (Contd..)

31.9 Corporate Social Responsibility:

Particulars	₹ in Lakhs	
	As at March 31, 2021	As at March 31, 2020
Amount required to be spent	41.99	32.42
Amount brought forward from the previous years	-	-
Amount Spent	41.99	32.42-
Amount to be spent	-	-

31.10:

During the financial year the company has successfully completed its Initial Public Offer(IPO) of 51,00,000 equity shares of Rs.10/- each at a price of Rs.120/- per share (including a premium of 110 per share). Shares offered in IPO were allotted on 12th October 2020 and listed on 15th October 2020. With this allotment the paid up share capital has become Rs.1972.50 Lakhs. Pursuant to the IPO, the Equity Shares of the Company got listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) on 12 October, 2020. The details of utilization of IPO proceeds of 6120.00 Lakhs, of the Company are as follows.

S No	Particulars	₹ in Lakhs		
		Total Amount	Utilised Upto 31.03.2021	Un Utilised Upto 31.03.2021
1	Working Capital requirements	4,700.00	4,700.00	-
2	General Corporate Purpose	600.00	600.00	-
3	Issue Expenses	820.00	777.35	42.65
	Total Proceeds from IPO	6,120.00	6,077.35	42.65

As per our report of even date
For **NSVR & ASSOCIATES LLP**
FRN:008801S/S200060

For and on behalf of Board of Directors

Suresh Gannamani
Partner
Member Ship No:226870
UDIN: 21226870AAAADY2401

G Srinivasa Rao
Managing Director
DIN:01710775

G Sri Lakshmi
Director
DIN:02250598

Place: Hyderabad
Date: 11.06.2021

Sambasiva Rao K
Chief Financial Officer

Santhosh Kumar G
Company Secretary

Sudhanshu Shekhar
Chief Executive Officer

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 22ND ANNUAL GENERAL MEETING OF LIKHITHA INFRASTRUCTURE LIMITED WILL BE HELD ON SATURDAY, SEPTEMBER 04, 2021, AT 10.30 A.M. THROUGH VIDEO CONFERENCING ("VC") OR OTHER AUDIO-VISUAL MEANS ("OAVM") TO TRANSACT THE FOLLOWING BUSINESS

Ordinary Business:

1. Adoption of Financial Statements

To consider and adopt the audited financial statements for the financial year ended March 31, 2021, and the reports of the Board of Directors and Auditors thereon.

2. Declaration of Dividend for the Financial Year ended March 31, 2021.

"RESOLVED THAT in terms of the recommendation of the Board of Directors of the Company, the approval of the members of the Company be and is hereby granted for payment of dividend @ 15% (i.e. ₹ 1.50 per share) on 1,97,25,000 Equity Shares of ₹ 10 /- each fully paid for the financial year ended March 31, 2021."

3. Appointment of Mrs. Sri Lakshmi Gaddipati as Director

To appoint a director in place of Mrs. Sri Lakshmi Gaddipati (DIN: 02250598) who retires by rotation and being eligible, offers herself for re-appointment.

Special Business:

4. Appointment of Mr. Venkatram Arigapudi (DIN: 08939773) as an Independent Director

To consider and, if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with Schedule- IV to the Act and Regulations 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations"), Mr. Venkatram Arigapudi (DIN: 08939773) who was appointed as an Additional Director with effect from October 31, 2020 in terms of Section 161(1) of the Act and whose term of office expires at the Annual General Meeting and who has submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations

and in respect of whom the Company has received a notice in writing from a member proposing his appointment to the office of Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of three consecutive years upto October 30, 2023, not liable to retirement by rotation."

5. Appointment of Ms. Jayashree Voruganty (DIN: 09137732) as an Independent Director

To consider and if thought fit to pass with or without modification(s), the following resolution as an ordinary resolution:

"RESOLVED THAT pursuant to section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with Schedule- IV to the Act and Regulations 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations"), Ms. Jayashree Voruganty (DIN: 09137732) who was appointed as an Additional Director with effect from April 10, 2021 in terms of Section 161(1) of the Act and whose term of office expires at the Annual General Meeting and who has submitted a declaration that she meets the criteria for independence as provided in the Act and Listing Regulations and in respect of whom the Company has received a notice in writing from a member proposing her appointment to the office of Independent Director, be and is hereby appointed as an Independent Director of the Company to hold the office for a term of three consecutive year upto April 09, 2024, not liable to retirement by rotation,"

6. Appointment of Mrs. Likhitha Gaddipati (DIN: 07341087) as Whole Time Director of the Company:

To consider and if thought fit to pass with or without modification(s), the following resolution as a special resolution:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and 203 of the Companies Act, 2013 ("Act") read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) and enactment(s) thereof for the time being in force), the consent of the members be and is hereby accorded for the appointment of Mrs. Likhitha Gaddipati (DIN: 07341087) as a Whole Time Director of the Company for a period

of 3 years, with effect from August 11th, 2021, who was earlier designated as Non- Executive Non Independent Director, with the terms and conditions which are given in Explanatory Statement at Item No. 6 annexed hereto and as recommended by Nomination and Remuneration Committee ("Committee") and approved by the Board, with liberty to the Board of Directors (including Committee) to alter and vary the terms and conditions of the said re-appointment /remuneration in such manner as deemed fit necessary.

"RESOLVED FURTHER THAT the remuneration payable to Mrs. Likhitha Gaddipati, shall not exceed the overall ceiling of the total managerial remuneration as provided under section 197 and Schedule V of the Companies Act, 2013 or such other limits as may be prescribed from time to time."

"RESOLVED FURTHER THAT Mrs. Likhitha Gaddipati, Whole Time Director be entrusted with such powers and perform such duties as may from time to time be delegated / entrusted to her subject to the supervision and control of the Board"

"RESOLVED FURTHER THAT Mr. Srinivasa Rao Gaddipati, Managing Director and/or Mr. Santhosh Kumar Gunemoni, Company Secretary and Compliance Officer, be and are hereby authorized severally to do all such acts, deeds, matters and things as may be considered necessary, usual or expedient, to give effect to the aforesaid resolution."

**By order of Board
For Likhitha Infrastructure Limited**

Sd/-

Santhosh Kumar Gunemoni

Company Secretary and Compliance Officer
M. No. A60103

Date: 11.08.2021

Notes:

1. In view of the Covid-19 pandemic social distancing is a norm to be followed, the Government of India, Ministry of Corporate Affairs allowed conducting Annual General Meeting through Video Conferencing (VC) or Other Audio-Visual Means (OAVM) and dispensed the personal presence of the members at the meeting. Accordingly, the Ministry of Corporate Affairs issued Circular No. 14/2020 dated 8th April 2020, Circular No. 17/2020 dated 13th April 2020, Circular No. 20/2020 dated 5th May 2020 and Circular No. 02/2021 dated 13th January 2021 prescribing the procedures and manner of conducting the Annual General Meeting through VC/ OAVM. In terms of the said circulars, the 22nd Annual General Meeting (AGM) of the members be held through VC/OAVM. Hence, members can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participation in the meeting through VC/OAVM is as per note no. 18 and available at the Company's website www.likhitha.co.in.
2. In accordance with the Secretarial Standard -2 on General Meeting issued by the Institute of Company Secretaries of India (ICSI) read with Guidance/ Clarification dated April 15, 2020, issued by ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the e-AGM.
3. e-AGM: Company has appointed Central Depository Services (India) Limited (CDSL) to provide Video Conferencing facility for the e-AGM and the attendant enablers for conducting of the e-AGM.
4. Information regarding appointment/re-appointment of Directors and Explanatory Statement in respect of special businesses to be transacted pursuant to Section 102 of the Companies Act, 2013 and/or Regulations 26(4) and Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto. The Directors have provided their consent/ declaration for their appointment/ re-appointment.
5. Pursuant to the Circular No. 14/2020 dated 8th April 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the e-AGM on its behalf and to vote either through remote e-voting or during the e-AGM. The said Resolution/ Authorization should be sent electronically through their registered email address to the Scrutinizer at ajay@vcancs.com with a copy marked to cs@likhitha.in.
6. Closure of Register of Members and Dividend:
 - a. Register of Members and Transfer Books will be closed from 29 August 2021 to 03 September 2021 (both days inclusive) for determining the names of the Members eligible for dividend, if approved, on equity shares. In

respect of shares held in dematerialized mode, the dividend will be paid on the basis of particulars of beneficial ownership furnished by the Depositories for this purpose.

- b. The Board of Directors of the Company at its meeting held on June 11, 2021, has recommended a dividend of ₹ 1.50/- per equity share of ₹ 10/- each as final dividend for the financial year 2020-21. The dividend, if declared at the Annual General Meeting, will be paid within a period of 30 days from the date of declaration to those members whose names appear on the Register of Members as on 28 August 2021.
 - c. Members may please note that the Dividend Warrants are payable at par at the designated branches of the Bank printed on reverse of the Dividend Warrant for an initial period of 3 months only. Thereafter, the Dividend Warrant on revalidation is payable only at limited centers / branches. The members are, therefore, advised to encash Dividend Warrants within the initial validity period.
 - d. The dividend will be transferred to members bank accounts registered with depository participants with whom they are maintaining their demat accounts through NACH mode.
 - e. Shareholders may kindly note that their Bank account details as furnished by their Depositories to the Company will be printed on their Dividend Warrants as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such shareholders for deletion or change in such Bank details. Shareholders are requested to intimate immediately any change in their address or bank mandates to their depository participants with whom they are maintaining their demat accounts.
7. The Company's Registrar and Transfer Agents for its Share Registry Work is M/s. Bigshare Services Private Limited ("Bigshare") and having office at 306, Rightwing, 3rd Floor, Amrutha Ville, Opp. Yashoda Hospital, Somajiguda, Rajbhavan Road, Hyderabad, Telangana- 500082 and all correspondence may be addressed directly to them.
 8. The Company has 100% shareholding in demat. Hence, Shareholders have to send requests or correspond through their respective Depository Participants and are advised to register/ update their address, e-mail address, PAN and bank details/mandates with their depository participants with whom they are maintaining their demat accounts.
 9. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

10. Shareholders may note that the Income Tax Act, 1961 (Act), as amended by the Finance Act 2021, mandates that dividend paid or distributed by Company after April 01, 2021, for ₹ 5,000/- or more shall be taxable in the hands of shareholders and the Company is required to deduct tax at source (TDS) from dividend paid to shareholders in accordance with the provisions of the Act.

The prescribed rates of TDS for various categories and the procedure for declarations are as follows:

i. Resident Shareholder:

Particulars	TDS Rate
With PAN	10% or as may be notified by the Government of India
Without/Invalid PAN	20% or as may be notified by the Government of India
Submission of declaration in Form 15G or Form 15H	Nil

For the above purpose, the shareholders are requested to update their PAN with depository participants (in case of shares held in demat mode) to get the benefit of Lower TDS rate and to enable the Company to provide the TDS Certificates to the shareholders.

ii. Non-Resident Shareholder:

TDS Rate @ 20% plus applicable surcharge and Cess (OR) applicable Tax Treaty Rate under the Double Tax Avoidance Treaty (DTAA) between India and their country of residence (whichever is lower), subject to the fulfilment of the following requirements:

The Non-resident shareholders are requested to provide the the following documents to avail the tax treaty benefits by sending an email to bsshyd@bigshareonline.com with subject line: (unit- LIKHITHA INFRASTRUCTURE LIMTIED) on or before August 05, 2021.

- Declaration for "No Permanent Establishment" in India.
- Beneficial Ownership Declaration.
- Tax Residency Certificate (TRC) for FY 2021-22.
- Form 10F and
- Copy of Indian PAN (if available)

11. In line with the aforesaid Ministry of Corporate Affairs (MCA) Circulars and SEBI Circular dated 12th May 2020, the

Notice of AGM along with Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Member may note that Notice and Annual Report 2020-21 has been uploaded on the website of the Company at www.likhitha.co.in. The Notice can also be accessed from the websites of the Stock Exchanges i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively.

12. Members who would like to receive all communication including Annual Report, Notices, Circulars, etc., in electronic mode in lieu of physical copy (in order to save paper) and who have not registered their e-mail addresses so far or who would like to update their e-mail addresses already registered, are requested to register/ update their e-mail addresses through their respective Depository Participants.
13. All documents referred to in this Notice are open for inspection at the Registered Office of the Company between 11:00 a.m. to 3:00 p.m. on any working day till the date of AGM.
14. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before August 31, 2021.
15. The Statutory Registers and the documents pertaining to the items of business to be transacted at the AGM are available for inspection in electronic mode. The members may write an e-mail to cs@likhitha.in and the Company shall respond suitably.
16. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM:
 - (i) As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies are conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020, and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio-visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
 - (ii) 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 to at least 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.

- (iii) The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
- (iv) Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
- (v) 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 www.likhitha.co.in. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
- (vi) In continuation of this Ministry's General Circular No. 20/2020, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January, 13, 2021.
17. INSTRUCTIONS TO MEMBERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM
 - (i) The voting period begins on 01st September 2021; 09:00 A.M. and ends on 03rd September 2021; at 05:00 P.M. During this period shareholders of the Company as on the cut-off date (record date) of 28 August 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated 09.12.2020, under Regulation

44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholder's/retail shareholders is at a negligible level

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account

holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iii) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 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.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 1) Users of who have opted for CDSL's 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 URLs for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting Menu. On clicking the e-voting menu, the user will be able to see his/her holdings along with links of the respective e-Voting service provider i.e. CDSL/ NSDL as per information provided by Issuer / Company. Additionally, we are providing links to e-Voting Service Providers, so that the user can visit the e-Voting service providers' site directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP where the e-Voting is in progress during or before the AGM.
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.



	<p>2)) If the user is 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.</p> <p>3) 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 name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>
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. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider's website 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.

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

Login type	Helpdesk details
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 022- 23058738 and 22-23058542-43.
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.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30.

(iv) Login method for e-Voting and joining virtual meetings for shareholders other than individual shareholders:

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

6) If you are a first-time user follow the steps given below:

For Shareholders holding shares in Demat Form other than individual shareholders:	
PAN	<p>Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department</p> <ul style="list-style-type: none"> Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (v) After entering these details appropriately, click on "SUBMIT" tab.
- (vi) Shareholders will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vii) Click on the EVSN for the relevant on which you choose to vote.
- (viii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (ix) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (x) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xiii) If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xiv) Facility for Non – Individual Shareholders and Custodians –Remote Voting:
- Non-Individual shareholders (i.e. other than Individuals, HUF and NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively, Non-Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at info@vcancs.com and to the Company at the email address viz; cs@likhitha.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

18. INSTRUCTIONS FOR MEMBERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING THE MEETING:

- i. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- ii. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
- iii. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
- iv. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- v. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- vi. 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.
- vii. Shareholders who would like to express their views/ ask questions during the meeting may register themselves as a speaker by sending their request in advance between 29 August 2021 (09:00 a.m.) to 31 August 2021 (05:00 p.m.) mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries between 29 August 2021 (09:00 a.m.) to 01 September 2021 (05:00 p.m.) mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
- viii. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the meeting.
- ix. Only those shareholders, who are 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 available during the AGM.

- x. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

19. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

- (i) Please provide Demat account details (CDSL-16-digit beneficiary ID or NSDL16 digit DPID + CLID), 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@likhitha.in/bsshyd@bigshareonline.com.

20. HELPDESK FOR QUERIES / ISSUES RELATING TO ATTENDING THE AGM AND E-VOTING:

- (i) Any queries or issues regarding attending the AGM & e-Voting from the CDSL e-Voting System shall be addressed by email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022- 23058542/43.
- (ii) All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022- 23058542/43.

By order of Board
For Likhitha Infrastructure Limited

Santhosh Kumar Gunemoni
Company Secretary and Compliance Officer
M. No. A60103

Date: 11.08.2021

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013:

Item No.: 4

Appointment of Mr. Venkatram Arigapudi (DIN: 08939773) as an Independent Director

In accordance with the provisions of Section 161(1) read with Schedule IV to the Companies Act, 2013 ("the Act"), the Board of Directors, on the recommendation of the Nomination and Remuneration Committee, appointed Mr. Venkatram Arigapudi (DIN: 08939773) as an Additional Director (Non-executive and Independent) w.e.f. 31st October 2021 to hold office as such upto the date of this AGM and thereafter, subject to the approval of the members at the AGM.

The Company has received a notice in writing from a member under section 160 of the Act proposing the candidature of Mr. Venkatram Arigapudi for the office of Director of the Company. Mr. Venkatram Arigapudi has consented to act as a Director and given a declaration stating that he is not disqualified from being appointed as a Director in terms of Section 164 of the Act and that he meets the criteria of independence as prescribed under both, sub-section (6) of Section 149 of the Act and Regulation 17 the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). In the opinion of the Board, Mr. Venkatram Arigapudi fulfills the conditions for his appointment as an Independent Director as specified in the Act and the Listing Regulations. Mr. Venkatram Arigapudi is independent of the management and possesses appropriate skills, experience and knowledge.

Mr. Venkatram Arigapudi, aged 65 years, a graduate from Agriculture College, Bapatla in the year 1977, completed various management courses organised by ASCI- Hyderabad and IIM-Kolkata. Mr. Venkatram Arigapudi retired from Adventz group in July 2017 as National Sales Head. Mr. Venkatram Arigapudi has over 42 years' experience in the field of Agri-inputs marketing. He began his career as Marketing officer and risen to Nation Head -Sales position during the course of his career. He worked as Incharge of marketing agri-inputs on pan India basis and developed a second level leadership in the organization.

Mr. Venkatram Arigapudi has a strong level of expertise in the fields of:

- Developing strategies and concepts
- Business Development
- Mentoring and training the budding executives
- Building team and creating self-belief in achieving the set tasks.

- Coordination with various agencies and trouble shooting.
- Good public relations with the concerned.

The relevant particulars of Mr. Venkatram Arigapudi as required under the Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to this Notice.

Copy of the draft letter of appointment of Mr. Venkatram Arigapudi, setting out the terms and conditions of his appointment, is available for inspection by the members at the registered office of the Company.

The Board of Directors therefore recommends the resolution set out at Item No. 3 of the Notice for approval by the members by way of an ordinary resolution.

None of the Directors except Mr. Venkatram Arigapudi or his relatives, is in any way deemed to be concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice. .

Item No.: 5

Appointment of Ms. Jayashree Voruganty (DIN: 09137732) as an Independent Director

In accordance with the provisions of Section 161(1) read with Schedule IV to the Companies Act, 2013 ("the Act"), the Board of Directors, on the recommendation of the Nomination and Remuneration Committee, appointed Ms. Jayashree Voruganty (DIN: 09137732) as an Additional Director (Non-executive and Independent) w.e.f. 10th April 2021 to hold office as such upto the date of this AGM and thereafter, subject to the approval of the members at the AGM.

The Company has received a notice in writing from a member under section 160 of the Act proposing the candidature of Ms. Jayashree Voruganty for the office of Director of the Company. Ms. Jayashree Voruganty has consented to act as a Director and given a declaration stating that she is not disqualified from being appointed as a Director in terms of Section 164 of the Act and that she meets the criteria of independence as prescribed under both, sub-section (6) of Section 149 of the Act and Regulation 17 the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). In the opinion of the Board, Ms. Jayashree Voruganty fulfills the conditions for his appointment as an Independent Director as specified in the Act and the Listing Regulations. Ms. Jayashree Voruganty is independent of the management and possesses appropriate skills, experience and knowledge.

Ms. Jayashree Voruganty, aged 60 years, a qualified Chartered Accountant, having the profession as Chartered Accountant in Practice dealing with Government Audits, GST matters, taxation and accountancy matters. She has over 20 years of experience in the field of Finance and over 23 years of Post Qualification Experience as a Chartered Accountant. She has completed Post Graduate Diploma in Management from IIM- Ahmedabad and finished M.B.A from Xavier School of Management (XLRI).

Ms. Jayashree Voruganty has strong level of expertise in the fields of:

- Budgeting- review of the performance month on month.
- Accounting and finalization of accounts,
- Implemented (Functional Expertise) Oracle ERP 11 I in the Organisation.
- System Controls functions of Finance.
- External Audit system,
- Internal Audit System

The relevant particulars of Ms. Jayashree Voruganty as required under the Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to this Notice.

Copy of the draft letter of appointment of Ms. Jayashree Voruganty, setting out the terms and conditions of her appointment, is available for inspection by the members at the registered office of the Company.

The Board of Directors therefore recommends the resolution set out at Item No. 5 of the Notice for approval by the members by way of an ordinary resolution.

None of the Directors except Ms. Jayashree Voruganty or her relatives, is in any way deemed to be concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

Item No: 6

Appointment of Mrs. Likhitha Gaddipati (DIN: 07341087) as Whole Time Director of the Company:

Based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company at their meeting held on August 11, 2021, Mrs. Likhitha Gaddipati appointed (re-designated) as Whole Time Director of the Company on the terms and conditions as set out herein below, subject to the approval of the members of the Company.

The terms and conditions of appointment are as under:

Period:

For a period of 3 years w.e.f. August 11, 2021.

Remuneration:

1. Gross Remuneration:

Not exceeding ₹ 36,00,000 (Rupees Thirty-Six Lakhs Only) per annum. (The Board shall fix the monthly/yearly remuneration within the overall limit and shall give increment(s) as may be decided by the Nomination and Remuneration Committee from time to time based on Industrial Standards and her performance).

2. Reimbursement of Expenses: Reimbursement of reasonable expenses actual and properly incurred in connection with the business of the Company.

3. Overall Remuneration:

The aggregate of salary, together with perquisites, allowance, benefits and amenities payable to Mrs. Likhitha Gaddipati, in any financial year shall not exceed the limits prescribed from time to time under section 196, 197 of the Act read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) and enactment(s) thereof for the time being in force). The remuneration includes House Rental Allowance.

4. As long as Mrs. Likhitha Gaddipati continues the position of Whole Time Director, she shall not be entitled to any sitting fees for attending meetings of the Board or Committees thereof.

The statement containing information as required under Section II of Part II of Schedule V of the Companies Act, 2013, to the extent applicable, is given here under:

A. General Information:

1. **Nature of Industry:** The Company is into the business of laying of cross-country pipelines and associated facilities; city gas distribution including CNG stations; and operation & maintenance of CNG/PNG services.
2. **Date of commencement of commercial production:** The Company is carrying out its operations since incorporation i.e., August 06, 1998.
3. **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** Not Applicable

4. Financial Performance based on given indicators:

Year	Turnover (₹ in Lakhs)	Net Profit (₹ in Lakhs)
2020-21	19293.71	3837.35
2019-20	16279.02	2676.57
2018-19	14054.68	2529.97

5. Foreign Investments or Collaborators, if any: As on March 31, 2021, the Company has a foreign investments of 0.44%. As on March 31, 2021, the Company has not collaborated with any entity(ies).

B. Information about the Appointee:

1. Background Details

Mrs. Likhitha Gaddipati is the Promoter of the Company. She has completed her B. Tech in Computer Science and Engineering from SRM University, Tamil Nadu and master's in information technology Master's in Information Technology and Management from Illinois Institute of Technology, Chicago, Illinois, USA.

She is currently serving as Non- Executive Non-Independent Director of the Company.

2. Past Remuneration

The remuneration of Mrs. Likhitha Gaddipati during the preceding three years are detailed herein below:

Year	Remuneration (₹ in Lakhs)
2020-21	Nil
2019-20	Nil
2018-19*	Nil

*During the year 2018-19, Mrs. Likhitha Gaddipati has drawn a professional fee of ₹ 19,00,000/- (Rupees Nineteen Lakhs Only) in the professional capacity.

3. Recognition or awards- Nil

4. Job profile and suitability

Mrs. Likhitha Gaddipati will be rendering services to the Company on whole time basis under the designation of Whole Time Director. She has good command on various financial and technical aspects of the business activities which would help the Company in achieving new heights.

She is currently serving as Non-Executive Non-Independent Director of the Company and her involvement in the fields of financial and technical aspects will be helping the Company.

Current challenging business environment requires review of operations, monitoring and decision making with respect to operational, technical and financial aspects on day-to-day basis. Her involvement in these fields under the guidance of Managing Director and other management would immensely benefit the Company.

5. Remuneration proposed

- Not Exceeding ₹ 36,00,000(Rupees Thirty-Six Lakhs Only) per annum and subject to such conditions as stipulated by/in the Company policy.
- Remuneration is inclusive of House Rental Allowance (HRA)
- Reimbursement of Expenses: Reimbursement of reasonable expenses actual and properly incurred in connection with the business of the Company.

6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person

The proposed remuneration to the appointee is in the with the remuneration comparable to the size of the industry and of the position and person.

7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.

Mrs. Likhitha Gaddipati is holding 1,625 Equity Shares of ₹ 10/- each in the Company constituting 0.01% of the share capital of the Company. She is related to all the other directors of the Company as follows:

Name of the Director	Nature of Directorship	Relationship with Appointee Director
Mr. Srinivasa Rao Gaddipati	Managing Director	Father of Mrs. Likhitha Gaddipati
Mrs. Sri Lakshmi Gaddipati	Non-Executive Non-Independent Director	Mother of Mrs. Likhitha Gaddipati
Mr. Kutumba Rao Gaddipati	Non-Executive Non-Independent Director	Uncle of Mrs. Likhitha Gaddipati

C. Other Information:

1. Reason of Inadequate Profit:

The Company intends to remunerate its managerial personnel adequately considering their contribution to the company growth and achievements over the years and in doing so the overall remuneration of Managing Director and Whole Time Director exceeds the prescribed limit as per the provisions of the Companies Act, 2013.

2. Steps taken for improvement:

The Company is in the stage of new developments and is bidding for large projects of higher values. The Company is of manpower intensive and carrying out cost optimizations thereby further sharpening its services to reach new customers. These measures are expected to improve the turnover and profit margins in future. The Company has also successfully completed the public issue by issuing 51,00,000 Equity Shares of ₹ 10 (Face Value) each which helps the Company in meeting the financial requirements.

3. Expected increase in productivity and profit in measurable terms:

Based on the order book, government initiatives and other internal factors, the management is confident about their future plans and projects

which will contribute to higher profit compared to that of previous years.

D. Disclosures:

The Information as required is provided in the Annual Report 2020-21. The remuneration package proposed to be paid to Mrs. Likhitha Gaddipati is as per the details given in the resolution. The Annual Report 2020-21 indicates the remuneration paid to the managerial personnel as well as to all other directors. There is no severance fee or stock option in case of the aforementioned managerial personnel.

The Board of Directors therefore recommends the resolution set out at Item No. 6 of the Notice for approval by the members by way of special resolution.

None of the Directors and Key Managerial Personnel except Mrs. Likhitha Gaddipati and her relatives are concerned or interested, financially or otherwise in the said resolution.

**By order of Board
For Likhitha Infrastructure Limited**

Santhosh Kumar Gunemoni
Company Secretary and Compliance Officer
M. No. A60103

Date: 11.08.2021

Annexure to the Notice for AGM

Details of Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting to be held on 5th July 2021 under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per SS-2 issued by ICSI.

Particulars	Item No. 3 of Notice	Item No. 4 of Notice	Item No. 5 of Notice	Item No. 6 of Notice
Name	Mrs. Sri Lakshmi Gaddipati	Mr. Venkatram Arigapudi	Ms. Jayashree Voruganty	Mrs. Likhitha Gaddipati
DIN	02250598	08939773	09137732	07341087
Date of first Appointment	06.08.1998	31.10.2020	10.04.2021	08.01.2018
Designation	Non- Executive Non-Independent Director	Non-Executive Independent Director	Non-Executive Independent Director	Whole Time Director
Date of Birth	01.08.1968	28.07.1955	18.08.1960	17.11.1994
Qualification	Board of Secondary Education, Andhra Pradesh.	B.sc (Agriculture)	1. Diploma in Management 2. A qualified member of Institute of Chartered Accountants of India (ICAI)	1. B. Tech in Computer Science and Engineering from SRM University, Tamil Nadu. 2. Management from Illinois Institute of Technology, Chicago, Illinois, USA.
Expertise in specific functional Areas	She has significant experience in the overall business administration of our Company.	Developing strategies and concepts, Business Development, Mentoring and training the budding executives, building team and creating self-belief in achieving the set tasks, Coordination with various agencies and trouble shooting and good public relations with the concerned.	Budgeting- review of the performance month on month, accounting and finalization of accounts, implemented (Functional Expertise) Oracle ERP 11 I in the Organization, system controls functions of Finance, External Audit system and Internal Audit System	She has good command over financial and technical aspects of the business activities.
Terms and conditions of appointment and details of last salary drawn	Retiring by rotation, being eligible offers herself for reappointment. No salary was drawn for FY 2020-21	As set forth in the resolution	As set forth in the resolution	As set forth in the resolution. No salary was drawn for FY 2020-21
Number of meetings of the Board attended During the year	06	03	Not applicable for FY 2020-21	05



Particulars	Item No. 3 of Notice	Item No. 4 of Notice	Item No. 5 of Notice	Item No. 6 of Notice
Disclosure of relationship between directors inter-se	Spouse of Mr. Srinivasa Rao Gaddipati, Managing Director	No relationship with any director	No relationship with any director	<ol style="list-style-type: none">1. Daughter of Srinivasa Rao Gaddipati, Managing Director and Mrs. Sri Lakshmi Gaddipati, Director2. Relative of Mr. Kutumba Rao Gaddipati
Shareholding as on 31.03.2021	3,65,625 Shares	Nil	Nil	1,625 Shares
Directorships	01	Nil	Nil	Nil
Board (Listed entities)	Nil	Nil	Nil	Nil
Committees (Listed entities)	Nil	Nil	Nil	Nil

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Likhitha Infrastructure Limited

8-3-323, 9th Floor, Vasavi's MPM Grand,
Yellareddy Guda, Ameerpet 'X' Raods,
Hyderabad, Telangana - 500 073.

E-mail: info@likhitha.in

Ph: +91-40-23752657

Website: www.likhitha.co.in