



- AIRPORTS
- HIGHWAYS
- INFRASTRUCTURE
- RAILWAYS
- REAL ESTATE

Date: 02nd September, 2022

To,
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No. C-1,
G Block, Bandra Kurla Complex,
Bandra (E), Mumbai 400051

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalai Street,
Mumbai - 400001

Dear Sir/Madam

Sub: Notice of 37th Annual General Meeting and remote e-voting information.

Ref: NSE Symbol –TARMAT & BSE Script Code -532869


Pursuant to Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Integrated Annual Report of the Company for the financial year 2021-22 along with Notice of AGM for the financial year 2021-22, which is being sent to the Members, who have registered their e-mail addresses with the Company/Depositories/ RTA, through electronic mode. The Integrated Annual Report including Notice is also uploaded on the Company's website and can be accessed at www.tarmat.in.

1. This is to inform you that the 37th Annual General Meeting of the company will be held on Friday, **THE 30TH SEPTEMBER 2022 AT 02.00 p.m.** through Video Conferencing/Other Audio Visual means organized by the Company. The notice of the 37th Annual general meeting is enclosed.
2. The company is providing electronic voting (e-voting) facility to the members through electronic voting platform of Central Depository Services (India) Limited on all resolutions as set out in the notice of AGM to those members, who are holding shares either in physical or in electronic form as on the cut-off date i.e. 23.09.2022. The remote e-voting will commence on Monday, 26.09.2022 at 09.00 a.m. and ends on Thursday 29.09.2022 at 05.00 p.m.
3. The Cut off date for the purpose of determine the entitlement of voting rights of members for e-voting is fixed as 23.09.2022.

This is for your information and records.

Thanking you,

Yours faithfully
For Tarmat Limited


S. Chakraborty
Company Secretary



TARMAT LIMITED

General A. K. Vaidya Marg, Near Wageshwari Mandir, Off Film City Road, Malad (E), Mumbai - 400 097.
Tel.: 2840 2130 / 1180 • Fax : 2840 0322 • Email : contact@tarmatlimited.com • Website : www.tarmatlimited.com
CIN : L45203MH1986PLC038535



37TH ANNUAL REPORT 2021-22

- AIRPORTS
- HIGHWAYS
- INFRASTRUCTURE
- RAILWAYS
- REAL ESTATE



- ▶ Resurfacing/Extension of Runway at Air Force Station Maharashtra Military Engineering Services
- ▶ Resurfacing/Extension of Runway at Air Force Station Awantipur Military Engineering Services
- ▶ Future Apron with Automated lighting Bangalore International Airport Limited
- ▶ Runway Resurfacing at Air force station, Agra Military Engineering Services
- ▶ Runway Strengthening & Taxi Tracks upgradation work at Cochin International Airport Cochin International Airport Limited
- ▶ Resurfacing of main Runway including profile correction at CA Juhu Airports Authority of India, Mumbai
- ▶ Construction of apron, associated taxiways, Isolation bay, GSE area and associated works at Tiruchirapalli (Trichy) International Airport
- ▶ Construction of R Taxi track left out portion connecting runway 07/25 & 12/30, N taxi track connecting runway 07/25 at Chennai Airport, Chennai.
- ▶ Upgradation and widening of Main Runway at Nanded Airport Maharashtra Industrial Development Corporation
- ▶ Extension and strengthening of Runway, Taxi track & Apron at Trichy Airport Airports Authority of India
- ▶ Extension of Apron & Additional Parking Bays at Trivandrum Airport Airports Authority of India
- ▶ Upgrading of main Runway 09/27 including dismantling and re-doing of Runway CAT - II light installations at Mumbai Airport Airports Authority of India
- ▶ Construction of 4 No's remote parking bays on north of abandoned taxi track - B-3 at CSI Airport, Mumbai Airports Authority of India
- ▶ Re-strengthening of Runway and Taxi track, Laying Glass Grid at NAS Arakkonam. Tamil-Nadu Military Engineering Services
- ▶ Extension of Runway at 24 Beginning, Expansion of Apron (Rigid), suitable for C type of Aircraft, Resurfacing of existing Runway (Flexible) and other associated works (Civil & Electrical) at Swami Vivekananda Airport Raipur.”



COMPANY INFORMATION

Board of Directors

| | |
|---|--------------------------------------|
| Mrs. Regina Manish Sinha (DIN: 08488285) | Chairperson and Independent Director |
| Mr. Amit Shah (DIN: 08467309) | Executive Director |
| Mr. R. C. Gupta (DIN: 00554094) | Independent Director |
| Mr. Krishan Kumar Kinra (DIN: 03412973) | Independent Director |
| Mr. Amit Kumar Goyal (DIN: 05292585) | Non-Executive Director |
| Mr. Jayeshkumar M. Patel (DIN: 08897467) | Non-Executive Director |

Company Secretary and Chief Financial Officer

Mr. S. Chakraborty
(Membership No. F-4987)

Statutory Auditors

M/s Mehta Kothari & Associates
Chartered Accountants
134, Great Western Building,
Maharashtra Chambers of Commerce Lane,
Fort, Mumbai 400 001.

Bankers

ICICI Bank

Registered Office

Tarmat Limited
Gen A. K. Vaidya Marg,
Near Wageshwari Mandir,
Off. Film City Road, Malad (East),
Mumbai - 400 097.
Tel: +91-22-2840 2130/ 1180
Website: www.tarmat.in
CIN No.: L45203MH1986PLC038535

Registrars & Transfer Agents

Bigshare Services Private Limited.
(Unit : Tarmat Limited)
S6-2, 6th floor Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Marol, Andheri East, Mumbai-400093, Maharashtra.
Tel: 022 62638200
Email: shwetast@bigshareonline.com
Website: www.bigshareonline.com
Contact Name: Ms. Shweta

Contents

| | |
|---|-------|
| Notice of the Annual General Meeting | 3 |
| Directors' Report | 13 |
| Management Discussion and Analysis | 22 |
| Report on Corporate Governance | 24 |
| Auditors Report on Financial Statements | 41 |
| Balance Sheet and Profit and Loss Account | 52-53 |
| Cash Flow Statement | 54 |
| Statement of Change In Equity..... | 55 |
| Notes to Financial Statements | 56 |
| Consolidated Auditors Report on Financial Statements | 71 |
| Consolidated Balance Sheet and Profit and Loss Account..... | 83-84 |
| Cash Flow Statement | 85 |
| Statement of Change In Equity..... | 86 |
| Consolidated Notes to Financial Statements | 87 |

NOTICE OF 37th ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT 37th ANNUAL GENERAL MEETING OF THE TARMAT LIMITED WILL BE HELD ON FRIDAY, THE 30th SEPTEMBER 2022 AT 02.00 PM THROUGH VIDEO CONFERENCING/ OTHER AUDIO VISUAL MEANS ORGANIZED BY THE COMPANY, TO TRANSACT THE FOLLOWING BUSINESS. THE VENUE OF THE MEETING SHALL BE DEEMED TO BE THE REGISTERED OFFICE OF THE COMPANY AT GENERAL A. K. VAIDYA MARG, NEAR WAGHESHWARI MANDIR, OFF. FILM CITY ROAD, MALAD (E), MUMBAI 400 097.

ORDINARY BUSINESS:**Item No. 1 - Adoption of Audited Financial Statements.**

To receive, consider and adopt the standalone and consolidated Financial Statements of the company for the financial year ended 31st March, 2022 and the Reports of the Board of Directors and Auditors thereon.

ITEM No. 2 –Appointment of Mr. Amit Atmaram Shah (DIN: 08467309) who retires by rotation.

To appoint a Director in place of Mr. Amit Atmaram Shah (DIN: 08467309), who retires by rotation and being eligible, offers himself for re-appointment.

ITEM No. 3 – Appointment of Mr. Amitkumar Goyal (DIN: DIN: 05292585) who retires by rotation.

To appoint a Director in place of Mr. Amitkumar Goyal (DIN: 05292585), who retires by rotation and being eligible, offers himself for re-appointment.

Item No. 4 - Appointment of Auditors.

To consider and if thought fit to pass with or without modification(s) the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139, 140, 141, 142 and other applicable provisions of the Companies Act, 2013 and the rules made there under, M/s. Hegde & Associates, Chartered Accountants (FRN 103610W), be appointed as the Statutory Auditors of the Company, to hold office for a first term of 5 (five) consecutive years commencing from the conclusion of this Annual General Meeting till the conclusion of 41st Annual General Meeting of the Company and that the Board of Directors be and is hereby authorized to fix such remuneration as may be recommended by the Audit Committee in consultation with the Auditors and that such remuneration may be paid on a progressive billing basis to be agreed upon between the Board of Directors and the Auditors.”

SPECIAL BUSINESS :**Item No. 5 - Ratification of the remuneration to be paid to Mr. Satish shah, Cost Accountant, for the FY 2022-23.**

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

“RESOLVED THAT pursuant to Section 148 of the Companies Act, 2013 and all other applicable provisions of the Companies Act, 2013 if any, including any statutory modification(s) or re-enactment thereof, for the time being in force and the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to Mr. Satish shah, Cost Accountant, the Cost Auditor of the Company, to audit the cost records maintained by the Company for the Financial Year 2022-23, amounting to Rs. 75000/- (Rupees Seventy five thousand only) plus taxes as applicable and reimbursement of actual travel and out of pocket expenses be and is hereby ratified and confirmed.”

By Order of the Board of Directors
For Tarmat Limited

Sd/-

S. Chakraborty
Company Secretary

Date: 13th August, 2022

Place: Mumbai

NOTES:-

1. The Ministry of Corporate Affairs (MCA) vide its General Circular no. 02/ 2022 dated May 5, 2022 has allowed companies whose Annual General Meeting (AGM) are due in the year 2022, to conduct their AGMs on or before December 31, 2022, in accordance with the requirements laid down in Para 3 and Para 4 of the General Circular No. 20/ 2020 dated May 5, 2020, through Video Conferencing (VC) or any Other Audio Visual Means (OAVM) in a manner provided in General Circular No. 14/2020 dated April 8, 2020 and General Circular No. 17/2020 dated April 13, 2020 issued by the MCA .Accordingly, in compliance with the requirements of the aforesaid MCA General Circulars, the Company is convening its 37th AGM through VC/OAVM, without the physical presence of the Members at a common venue. The Company has availed the facility of Central Depository Services (India) Limited (CDSL) for convening the 37th AGM through VC/OAVM, a detailed process in which the members can attend the AGM through VC/OAVM has been enumerated in Note number 19 of this Notice. The deemed venue for the meeting shall be registered office of the company at General A. K. Vaidya Marg, near Wagheshwari Mandir, off. Film City Road, Malad (e), Mumbai 400 097.
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars and SEBI Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form , Attendance Slip and Route Map are not annexed to this Notice.
3. The facility for joining AGM through VC/OVAM will be available for up to 1,000 Members and members may join on first come first serve basis. However, the above restriction shall not be applicable to members holding more than 2% or more shareholding, Promoters, Institutional Investors, Directors, Key Managerial Personnel(s), the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, Scrutinizers etc. Members can login and join 15 (fifteen) minutes prior to the schedule time of meeting and window for joining shall be kept open till the expiry of 15 (fifteen) minutes after the schedule time.
4. The aforesaid MCA General Circular dated May 5, 2022 read with MCA General Circulars dated May 5, 2020 and April 13, 2020 and SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 have granted relaxations to the companies, with respect to printing and dispatching physical copies of the Annual Reports and Notices to its members. Accordingly, the Company will only be sending soft copy of the Annual Report 2021-22 and Notice convening 37th AGM via e-mail, to the members whose e-mail ids are registered with the Company or the Registrar and Share Transfer Agent or Depository Participant/Depository as on the cut-off date i.e. Friday, September 02, 2022.
5. In terms of Section 152 of the Act, Mr. Amit Atmaram Shah (DIN: 08467309) - Whole Time Director of the Company and Mr. Amitkumar Goyal (DIN: 05292585),- Non-Executive Director, retires by rotation at the AGM and being eligible, offers themselves for re-appointment. Details as required in sub-regulation (3) of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and Secretarial Standards on General Meetings (SS-2) in respect of the Director seeking re-appointment at the AGM, forms integral part of the Notice.
6. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
7. The Company has appointed Central Depository Services (India) Limited (CDSL) to provide VC/OVAM facility for the AGM of the Company.
8. The explanatory statement pursuant to Section 102(1) of the Act, which sets out details relating to Special Businesses at the meeting, is annexed hereto.
9. Institutional/Corporate members are encouraged to attend and vote at the meeting through VC/OVAM. We also request them to send, a duly certified copy of the Board Resolution authorizing their representative to attend the AGM through VC/OAVM and vote through remote e-voting on its behalf at tarmatcs@gmail.com, pursuant to Section 113 of the Companies Act, 2013.
10. In case of Joint Holders attending the AGM, only such Joint Holder whose name appear first in the order of names will be entitled to vote.

- 11 Only bona fide members of the Company whose name appear first on the Register of Members, will be permitted to attend the meeting through VC/OAVM. The Company reserves its right to take all necessary steps as may be deemed necessary to restrict nonmembers from attending the meeting.
 - 12 The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Accordingly, members holding shares in electronic form are requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company. Members may please note that SEBI has also made it mandatory for submission of PAN in the following cases, viz. (i) Deletion of name of the deceased shareholder(s) (ii) Transmission of shares to the legal heir(s) and (iii) Transposition of shares.
 - 13 Pursuant to Section 101 and Section 136 of the Act, read with relevant Companies (Management and Administration Rules), 2014, and Regulation 36 of SEBI (Listing Obligation Disclosures Requirement) Regulation, 2015 (“SEBI Listing Regulations”), companies can serve Annual Report and other communications through electronic mode to those Members who have registered their email ID either with the Company or with the Depository Participants. Hence, Members who have not registered their mail IDs so far with their depository participants are requested to register their email ID for receiving all the communications including Annual Report, Notices etc., in electronic mode. In compliance with the aforesaid MCA circulars and SEBI circulars, Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories/ RTA. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website www.tarmat.in, 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.
 - 14 Members seeking any further information about the accounts are requested to send their queries to the Company to collect the relevant information.
 - 15 Members are requested to notify immediately any change in their address /bank mandate to their respective Depository Participants (DP s) in respect of their electronic shares account and to the Registrar and Share Transfer Agent of the Company at Big share services private Limited S6-2, 6th floor Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai – 400093. , Maharashtra.
 - 16 The Register of Members and the Share Transfer Book of the Company will remain closed from Saturday, 24.09.2022 to Friday, 30.09.2022 (both days inclusive).
 - 17 The voting right of all shareholders shall be in proportion to their share in the paid up equity share capital of the company as on the cut-off date i.e. Friday, 23rd September, 2022.
 - 18 In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the Listing Regulations, the Company is pleased to provide the Members a facility to exercise their right to vote on resolutions proposed to be considered at the 37th Annual General Meeting (‘AGM’) by electronic means through e-Voting Services. The facility of casting votes by the Members using an electronic voting system (‘remote e-voting’) will be provided by Central Depository Services (India) Limited (‘CDSL’).
- 19. THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING 37th AGM AND JOINING MEETING THROUGH VC/ OAVM ARE AS UNDER:**
- (i) The remote e-voting period begins on Monday, 26th September, 2022 at 9:00 a.m. and ends on Thursday, 29th September, 2022 at 5:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Friday, 23rd September, 2022 may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) Shareholders who have already voted prior to the AGM date through remote e-voting would not be entitled to vote at the time of AGM.
 - (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, under Regulation 44 of the Listing Regulations, 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 shareholders/retail shareholders is at a negligible level. Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed companies 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.

- (iv) 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 aforesaid 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 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 option for eligible companies where the evoting is in progress as per the information provided by Company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website 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 e-voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and will also be able to directly access the system of all e-Voting Service Providers. |

| | |
|--|--|
| 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 VC/ OAVM & voting during the meeting. 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 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 held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on 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 VC/ OAVM & voting during the meeting. |
| 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 VC/OAVM & 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 | 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 022-23058542-43. |
| 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 |

(v) Login method for e-Voting and joining VC/ OAVM for Physical shareholders and shareholders other than individual holding in Demat form.

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,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 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 Physical shareholders and other than individual shareholders holding shares in Demat. |
| PAN | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <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) | 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. <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. |

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form 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.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Tarmat Limited> on which you choose to vote.
- (x) 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.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) 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.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) 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.
- (xvi) Additional Facility for Non – Individual Shareholders and Custodians –Remote Voting Only.
 - Non-Individual shareholders (i.e. other than Individuals, HUF, 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 the email address i.e. pddiwan@yahoo.co.in and to the Company at the email address i.e. tarmatcs@gmail.com, if they have voted from individual tab and not uploaded the same in the CDSL e-voting system for the scrutinizer to verify the same.

A. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE 37th AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of the Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. 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 time of AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. 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.

7. 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 at least 7 days prior to the meeting mentioning their name, demat account number/folio number, email id, mobile number at tarmatcs@gmail.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to the meeting mentioning their name, demat account number/folio number, email id, mobile number at tarmatcs@gmail.com. The members may alternatively express their views/ask questions at the time of the AGM by using the ‘Q & A window’ which will be available during the streaming of the AGM on CDSL portal. These queries will be replied to by the Company suitably by email or at the time of AGM.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. 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.
10. 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.

B. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY / DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company's email id i.e. tarmatcs@gmail.com / RTA's email id i.e. shwetasa@bigshareonline.com
2. For Demat shareholders - please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat Shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. 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.

The results on voting of resolutions will be declared on or before Saturday, October 01, 2022. The results declared along with the scrutinizer's report will be placed on the website of the Company i.e. www.tarmat.in and website of CDSL i.e. www.evotingindia.com immediately after the result is declared by the Chairman or any other person authorized by him and will simultaneously be forwarded to BSE Limited and National Stock Exchange of India Limited, where the equity shares of the Company are listed.

4. Since the 37th AGM will be held through VC/OAVM, the Route Map to the venue of AGM as per the requirements of Secretarial Standards – 2 is not annexed to this Notice.
5. The remote e-voting period commences on Monday, 26th September, 2022 (09.00 a.m.) (IST) and ends on Thursday, 29th September, 2022 (05 p.m.) (IST), During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cutoff date (record date) of Friday, 23rd September, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
6. The Company has appointed Mr. Prashant Diwan, Practicing Company Secretary, (Membership No. 1403, COP No. 1979) as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The scrutinizer shall immediately after the conclusion of voting at the AGM, count the votes and shall submit a consolidated Scrutinizer's Report of the votes cast in favour or against, if any, within a period of 48 hours from the conclusion of the voting to the Chairperson of the Company or a person authorised by him in writing who shall countersign the same.

The Chairperson or a person authorised by him in writing shall declare the result of voting forthwith. The results of the e-voting along with the scrutinizer's report shall be communicated immediately to the BSE Limited and National Stock Exchange of India Limited, where the shares of the company are listed immediately after the result declared by the Chairperson or any other person authorised by the Chairperson.

By Order of the Board of Directors
For Tarmat Limited

Sd/-

S. Chakraborty
Company Secretary

Date: 13th August, 2022
Place: Mumbai

ANNEXURE TO THE NOTICE
Explanatory Statement
[Pursuant to Section 102(1) of the Companies Act, 2013]

THE EXPLANATORY STATEMENT SETTING OUT THE MATERIAL FACTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013, RELATING TO SPECIAL BUSINESS TO BE TRANSACTED AT THE MEETING IS ANNEXED

Item No. 5 : Ratification of the remuneration to be paid to Mr. Satish Shah, Cost Accountant, for the FY 2022-23.

The Company is required under Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time ("Cost Audit Rules"), to have the audit of its cost records for products covered under the Cost Audit Rules conducted by a Cost Accountant in Practice. The Board of Directors of the Company has on the recommendation of the Audit Committee, approved the appointment and remuneration of to Mr. Satish Shah, Cost Accountants as the Cost Auditor for Financial Year 2022-23.

In accordance with the provisions of Section 148(3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors has to be ratified by the Members of the Company. Accordingly, the consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 05 of the Notice for ratification of the remuneration payable to the Cost Auditors for the Financial Year ending March 31, 2023.

None of the Director(s) and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No.5 of the Notice.

The Board recommends the Resolution as set out at Item No. 5 of the Notice for approval by the members.

The Board recommends the Ordinary resolution set forth in Item No. 5 for the approval of the Members.

By Order of the Board of Directors
For Tarmat Limited

Sd/-

S. Chakraborty
Company Secretary

Date: 13th August, 2022
Place: Mumbai

ANNEXURE TO THE NOTICE

Details of the Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting [Pursuant to Regulations 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings]

| Name of the Director | Mr. Amit Atmaram Shah | Mr. Amit Kumar Goyal |
|--|--|---|
| Date of Birth | 29.01.1974 | 29.11.1979 |
| DIN | 08467309 | 05292585 |
| Nationality | Indian | Indian |
| Qualification and Experience | <p>Qualification: Chartered Accountant</p> <p>Experience: specializing in the field of Finance, advisory & consultation. He has experience of banking & has worked with a reputed private bank at senior position for over 15 years. He has worked closely with all the major infrastructure companies while in his previous stint as a banker & closely associated with many infrastructure companies in India.</p> | <p>Qualification: Chartered Accountant</p> <p>Experience: 19 years of experience. Specialised in project funding, financials and accounting control, Statutory Compliance and operation of the Company.</p> |
| Date of first appointment in the current designation | 30.05.2019 | 24.08.2020 |
| Shareholding in the Company | 370024 | Nil |
| Directorship in other public companies | Nil | 1) Citi Center Mall Management Ltd. |
| Memberships/ Chairmanship of Committees of other companies | Nil | Nil |
| Inter-se relationship between Directors and other Key Managerial Personnel | Nil | Nil |
| Number of Meetings of the Board attended during the year. | 8/8 | 8/8 |
| Details of remuneration last drawn | Rs. 30,00,000/- | Nil |

DIRECTORS REPORT

Dear Members,

Your Directors are pleased to present the Thirty Seven Annual Report on the business and operations of the Company together with the Audited Financial Statements for the year ended March 31, 2022.

1. SUMMARY AND HIGHLIGHTS

A summary of the Company's financial results for the Financial Year 2021-22 is as under:

(₹ In Lakh)

| Particular | Standalone | | Consolidated | |
|--|-----------------|----------------|-----------------|----------------|
| | March 31,2022 | March 31, 2021 | March 31,2022 | March 31, 2021 |
| Revenue from Operations | 16193.61 | 17,066.42 | 18100.84 | 19,583.17 |
| Other Income | 112.77 | 125.95 | 105.72 | 132.86 |
| Total Income | 16306.37 | 17,192.37 | 18206.56 | 19,716.03 |
| Less: Expenses | 15840.28 | 16,790.81 | 17740.47 | 19,314.47 |
| Profit / Loss before tax and Extraordinary / exceptional items | 466.09 | 401.56 | 466.09 | 401.56 |
| Less: Extraordinary / exceptional items | 0.00 | 0.00 | 0.00 | 0.00 |
| Profit before tax | 466.09 | 401.56 | 466.09 | 401.56 |
| Less: Current Income Tax | | | 0.00 | 0.00 |
| Less: Previous year adjustment of Income Tax | 0.00 | (160.73) | 0.00 | (160.73) |
| Less Deferred Tax | 8.41 | 52.82 | 8.41 | 47.64 |
| Net Profit after Tax | 457.68 | 509.47 | 457.68 | 514.65 |
| Earnings per share (Basic) | 2.90 | 3.82 | 2.90 | 3.86 |
| Earnings per Share(Diluted) | 2.15 | 3.82 | 2.15 | 3.86 |

The abovementioned financial performance highlights are an abstract of the Financial Statements of your Company for the Financial Year 2021-22. The detailed Financial Statements of your Company forms part of this Annual Report and are also uploaded on the website of your Company i.e. www.tarmat.in

2. Performance of the company

The profit (after tax) during the year ending 31st March 2022 on Standalone basis was Rs. 457.68 lakh against Profit of Rs. 509.47 lakh for the previous year ended 31st March 2021. The company is in the process of securing some projects.

3. Prospects

In India High priority was given to the development of infrastructure in all planning since beginning. The Government has announced a major initiative for Road developments , National Highway developments projects The cost of the projects is estimated at Rs. 54,000 crores. During 2022-23 National highway network to be expanded by 25000 km. The Government has introduced PM Gati Shakti national master plan in the National Infrastructure pipelines. Contract to be awarded for implementation of Multi modal logistic park in 22-23. All these provides immense scope for investment in infrastructure.

Your company is currently executing projects in Chennai and Mumbai Airport and in Jammu. Your company is also gearing for executing bigger number of projects.

4. Significant events during the financial year 2021-22

a) Increase of Authorised Capital clause of the Memorandum of Association

Authorised Capital of the Company was increased from Rs. 16,00,00,000 (Rs. Sixteen Crores only) divided into 1,60,00,000 (One Crore and Sixty Lakhs) equity shares of Rs. 10/- each (Rs. Ten each) to Rs. 22,00,00,000/- (Rs. Twenty Two Crores only) divided into 2,20,00,000 (Two Crores and Twenty Lakhs) equity shares of Rs. 10/- each.

b) Alteration in the Clause No. 3 of the Articles of Association of the Company.

To give effect to the increase in the authorized capital of the Company, Clause No. 3 of the Articles of Association of the Company was altered.

- c) Allotment of 17,66,151 warrants convertible into 17,66,151 equity shares of Rs. 10/- each to be issued at a price not less than Rs. 72/- to Promoters against conversion of loan aggregating to Rs. 12,71,62,872/-; &
- d) Allotment of 62,17,397 warrants convertible into 62,17,397 equity shares of Rs. 10/- each to be issued at a price not less than Rs. 72/- to Non-Promoters for cash consideration on a preferential basis.

Note: The Company has received In-principle approval for aforesaid convertible warrants from BSE and NSE on 23rd November, 2021.

- e) The Board of Directors of the Company at its meeting held on 23.12.2021 have approved conversion of 10,50,000 warrants (out of total 6217397 warrants) into 10,50,000 equity shares of Rs. 10/- each issued & allotted at a premium of Rs. 62/- to non-Promoters on a preferential basis. Trading approval of said equity shares were received from BSE and NSE on 5th April 2022.
- f) The Board at its Meeting held on 25 th January, 2022 considered and approved conversion of 14,19,403 warrants of non-Promoters into 14,19,403 Equity Shares. Trading approval of said equity shares were received from BSE and NSE on 28th April 2022.
- g) To comply Regulation 19 (a), (b) and (c) and Regulation 20 (2A) of SEBI LODR, the Company reconstituted Nomination and Remuneration Committee. The company has also reconstituted Stakeholders Relationship Committee and Corporate Social Responsibility Committee.

5. Performance Evaluation

In accordance with the relevant provisions of the Act read with the corresponding Rules framed thereunder, the SEBI Regulations and the Guidance Note on Board Evaluation issued by SEBI vide its circular dated January 5, 2017, evaluation of the performance of the individual Directors, Chairman of the Board, the Board as a whole and its individual statutory Committees was carried out for the year under review. The manner in which the evaluation was carried out and the outcome of the evaluation are explained in the Corporate Governance Report.

6. IMPACT OF COVID-19

The COVID-19 pandemic, continued to be a global challenge, creating disruption across the world. In the first three months of FY 2022, the second wave of the pandemic overwhelmed India's medical infrastructure. As the COVID-19 pandemic continues and sudden spread of second wave of Corona Virus all over India, the Government of various States including the Central Government had issued various norms and directives. Also, there were partial or complete Lock-down enforced by various State Government(s) depending upon the situation in the respective States during the first half of the Financial Year 2021-22. Further to curb the spread of the COVID-19, the Government in many States had declared closure of departmental stores, schools, colleges, malls, theaters, etc. Since the overall economy was hit because of the sudden outbreak of COVID – 19, it impacted the overall business of your Company, in the First half of the Financial Year. However, in the second half of the Financial Year 2021- 22 the Government relaxed some restrictions as there were reduction in the number of COVID cases and in turn, the impact of COVID-19 reduced on the overall business of your Company. Further, in accordance with the Government policies, your Company has also started getting back to normal and physical presence of Employees at offices/factories has been allowed.

7. Dividend/ Shares

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, if the dividend transferred to the Unpaid Dividend Account of the Company remains unpaid or unclaimed for a period of seven years from the date of such transfer then such unclaimed or unpaid dividend shall be transferred by the Company along with interest accrued, if any to the Investor Education and Protection Fund ('the IEPF'), a fund established under sub-section (1) of section 125 of the Act.

Mandatory Transfer of Shares to Investors Education and Protection Fund Authority (IEPFA) in case of unpaid/unclaimed dividend on shares for a consecutive period of seven years In terms of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) (IEPF Rules) shares on which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more shall be credited to the Investor Education and Protection Fund Authority (IEPFA) within a period of thirty days of such shares becoming due to be so transferred. Upon transfer of such shares, all benefits (like bonus, etc.), if any, accruing on such shares shall also be credited to such Demat Account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares.

Shares which are transferred to the Demat Account of IEPFA can be claimed back by the shareholders from IEPFA by following the procedure prescribed under the aforesaid rules.

Company has transferred the entire unpaid and Unclaimed Dividend to Investor Education and Protection Fund which was declared in FY 2008-09, 2009-10 and 2010-2011. As per Regulation 34(3) read with Schedule V of the Listing Regulations.

8. Dividend

To enable the Company to preserve cash for future growth your Directors have not recommended any dividend for the Financial Year ended March 31, 2022.

9. Reserves

There are no transfers to Reserves during the current financial year.

10. ISSUE OF SHARES

a) Issue of Equity Shares with differential rights

During the year under review and to date, your Company has not issued any shares with differential rights, hence no information prescribed under the provisions of Section 43(a)(ii) of the Companies Act, 2013 (the Act) read with Rule 4(4) of the Companies (Share Capital & Debentures) Rules, 2014 has been furnished.

b) Issue of Sweat Equity Shares

During the year under review and to date, your Company has not issued any sweat equity shares. Hence no information as per the provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital & Debentures) Rules, 2014 is furnished.

c) Issue of Employee Stock Option

During the year under review and to date, your Company has not issued any Employee Stock Option, hence no information is furnished.

11. Share Capital

During the year under review, the Company has issued 2469403 equity shares out of total 62,17,397 Convertible warrants converted into Equity shares of Rs. 10/each issued & allotted at a premium of Rs. 62/- to non-Promoters on a preferential basis. Hence the paid up Equity Share Capital as at March 31, 2022 stood at 1580.01 lakhs.

During the year under review and to date, your Company has not issued any Debentures, hence no information is furnished.

12. Directors and Key Managerial Personnel

The Board of Directors consists of a balanced profile of members specializing in different fields that enables it to address the various business needs of the company, while placing very strong emphasis on corporate governance.

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Amit Atmaram Shah (DIN: 08467309), Executive Director and Mr. Amit Kumar Goyal (DIN: 05292585), Non-Executive Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, have offered themselves for reappointment. Your Board recommends their re-appointment(s) as Director(s) for your approval. The brief profile of Mr. Amit Atmaram Shah and Mr. Amit Kumar Goyal and the resolution for their reappointment as Director(s) are given in the Notice of the 37th Annual General Meeting (AGM).

13. Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report:

There was no material changes occurred between the end of the financial year of the company to which the financial statements relate and date of report.

14. Remuneration of directors and employees

Disclosure comprising particulars with respect to the remuneration of directors and employees, as required to be disclosed in terms of the provisions of section 197(12) of the Act and rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as Annexure II to this Report.

15. Number of Meetings of the Board of Director

Eight (8) Board Meetings were convened and held during the financial year 2021-22. Details of meetings of the Board along with the attendance of the Directors and member of committee therein have been disclosed in the Corporate Governance Report (Annexed herewith).

16. Audit Committee

Audit Committee were comprised of Three Independent Directors and One Non-Executive Director, details of which are provided in the Corporate Governance Report (Annexed herewith).

17. Stakeholders relationship committee

Stakeholders relationship committee were comprised of Three Independent Directors and One Non-Executive Directors , details of which are provided in the Corporate Governance Report (Annexed herewith).

18. Nomination and Remuneration committee

The Board of Directors has formulated a Policy which lays down a framework for selection and appointment of Directors and Senior Management and for determining qualifications, positive attributes and independence of Directors. The Policy also provides for remuneration of Directors, Members of Senior Management and Key Managerial Personnel.

Nomination and Remuneration committee were comprised of Three Independent Directors and One Non-Executive Directors , details of which are provided in the Corporate Governance Report (Annexed herewith).

19. Corporate Social Responsible committee

Corporate Social Responsible committee were comprise of Two Independent Directors and One Executive Director, details of which are provided in the Corporate Governance Report (Annex herewith),

20. Declaration by an Independent Director(s) and re-appointment, if any

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that he meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

21. Familiarisation programme for Independent Directors

The Company proactively keeps its Directors informed of the activities of the Company, its management and operation and provides an overall industry perspective as well as issues being faced by the industry. The details of various familiarisation programmes provided to the Directors of the Company is available on the Company's website www.tarmat.in

22. Policy on directors' appointment and remuneration and other details

The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the corporate governance report, which forms part of the directors' report.

23. Internal Financial Control

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

24. Auditors

M/s. Mehta Kothari & Associates, Chartered Accountants (FRN 106247W) Chartered Accountants was re-appointed for a second term as Statutory Auditors of the Company until the conclusion of the 37th Annual General Meeting of the Company.

During the year under review, the Auditors have not reported any fraud under Section 143 (12) of the Act and therefore no detail are required to be disclosed under Section 134(3)(ca) of the Act.

There is no audit qualification, reservation or adverse remark for the year under review.

The Company's auditors M/s. M/s. Mehta Kothari & Associates, FRN 106247W, Chartered Accountants was re-appointed for a second term as Statutory Auditors of the Company until the conclusion of the 37th Annual General Meeting of the Company. Hence they have completed their tenure as Statutory Auditors of the Company. In view of the mandatory rotation of auditor requirement and to ensure smooth transition during this

period, M/s. Hegde & Associates, Chartered Accountants (FRN 103610W), is proposed to be appointed as Statutory Auditors for a period of 5 continuous years from the conclusion of 37th Annual General Meeting till the conclusion of 41st Annual General Meeting of the Company. Therefore the Board of Directors of the Company in terms of Section 139 (8) of the Companies Act, 2013 on recommendation of the Audit Committee proposed to appoint M/s. Hegde & Associates, (FRN 103610W) as Statutory Auditors of the Company for a period of five years subject to approval of members at ensuing 37th Annual General Meeting of the Company. A proposal for their appointment for five years i.e upto conclusion of the 41st AGM has been included in the Notice of the ensuing AGM.

25. Secretarial Audit Report

In terms of Section 204 of the Act and Rules made there under, M/s. Prashant Diwan, Practicing Company Secretary was appointed Secretarial Auditors of the Company. The report of the Secretarial Auditors is enclosed as Annexure-III to this report. The Company has received the Secretarial Audit report with few observations on which the management replies are as below.

- Replies to point no. I , ii, v, Xii & Xiii – The management has taken appropriate action and next year this will be complied with.
- Reply to point no. iii – The Nomination and Remuneration Committee was properly constituted all through except for a brief period, which has been regularized with regulatory authority, this comment was redundant.
- Reply to point no. iv – Required certificate(s) have been submitted with depositories.
- Reply to point no. vi, ix, & x – The required guidelines have been complied with.
- Reply to point no. vii – During the year under review the Company has not proposed any preferential issue hence this is not warranted for.
- Reply to point no. viii and xi – The Company has filed Related Party Transaction for half year ended 30.09.2021 with BSE and NSE as per requirement.

26. Disclosure about Cost Audit:

As per the Cost Audit Orders, Cost Audit is applicable to the Company.

In view of the same and in terms of the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, Mr. Satish Ramanlal Shah, Cost Accountants have been appointed as Cost Auditors to conduct the audit of cost records of your company for the financial year 2022-23. The remuneration proposed to be paid to them requires ratification of the shareholders of the Company. In view of this ratification for payment of remuneration to Cost Auditors is being sought at the ensuing AGM.

27. Details of Subsidiary/Joint Ventures/Associate Companies

Pursuant to Section 129(3) of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of Subsidiaries/ Associate Companies/Joint Ventures is given in Form AOC-1 which forms an integral part of this Report (Annexure I).

28. Vigil Mechanism and Whistle Blower

The Company has established a Vigil Mechanism and Whistle Blower Policy, for its Directors and Employees, to provide a framework to facilitate responsible and secure reporting of concerns of unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct & Ethics.

The Vigil Mechanism and Whistle Blower Policy is posted on the website of the Company and the web-link to the same is www.tarmat.in

29. Annual Return

As per provisions of Section 92 (3) and 134(3)(a) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014 as amended from time to time, the copy of the Annual Return in the Form MGT-7 is hosted on website of your Company at: <https://www.tarmat.in/investors/>

30. RELATED PARTY TRANSACTIONS

('RPTS') All the transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. The Audit Committee had given omnibus approval for

the transactions (which are repetitive in nature) and the same were reviewed and approved by the Board. There were no material significant transactions with related parties during the financial year 2021-22 which were in conflict with the interest of the Company. Pursuant to the provision of Section 134(3)(h) of the Companies Act, 2013, Form AOC-2 is not applicable to the Company.

31. CORPORATE SOCIAL RESPONSIBILITY

The provision of Companies Act, 2013 relating to Corporate Social Responsibility initiatives are not applicable to the Company for the Current Year.

32. Public Deposit

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

33. Particulars of loans, guarantees or investments under section 186

No loans, guarantees or Investments covered under sections 186 of the Companies Act, 2013, have been given or provided during the year.

34. Particulars of contracts or arrangements with related parties:

The Company has not entered into any contracts or arrangements with related parties referred to in Section 188(3) of the Companies Act, 2013.

35. Management discussion and analysis report

The Management Discussion and Analysis Report on the operations of the Company, as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") is provided in a separate section and forms an integral part of this Report.

36. Corporate Governance

Reports on Corporate Governance and Management Discussion and Analysis, in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), along with a certificate from Auditors regarding compliance of the Corporate Governance are given separately in this Annual Report.

All Board members and senior management personnel have affirmed compliance with the code of conduct for the year 2021-22.

37. Compliance with Secretarial Standards

Your directors confirm that during the year under review, the Company has been in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

38. Conservation of energy, technology absorption and foreign exchange earnings and outgo

The information as required under Section 134(3) (m) of The Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014 with respect to conservation of energy, technology absorption and foreign exchange earnings is given below:

i. Conservation of energy:-

- a) Improvisation and continuous monitoring of Power Factor and replacement of weak capacitors by conducting periodical checking of capacitors.
- b) The Company has endeavored to optimize the use of energy resources and taken adequate steps to avoid wastage and use latest production technology and equipment.
- c) Though the Company is making adequate use of energy resources it is looking forward to setup necessary energy conservation equipment in near future.

ii. Technology Absorption:-

- a) The Company continues to use the latest technologies for improving the productivity and quality of its services and products.
- b) The Company's operations do not require significant import of technology.

iii. Foreign exchange earnings and Outgo:-

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

39. Directors' Responsibility Statement

Pursuant to Section 134 (5) of the Companies Act, 2013, your Directors state that:

- (i) in the preparation of the annual accounts for the financial year ended 31st March, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures;
 - (ii) the directors had 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 had 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 had prepared the annual accounts on a going concern basis;
 - (v) the directors, further state that they have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- 40.** The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- 41.** Orders passed by the Regulators or Courts or Tribunals
- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status of the Company's operation in future.

42. Acknowledgements

The Management hereby take this opportunity to thank the Shareholders, Regulators and Government Authorities, Financial Institutions, Banks, Customers, Suppliers. The Management also wishes to place on record their appreciation of the employees at all levels for their hard work, dedication and commitment.

For and on behalf of the board of directors

Mrs. Regina Manish Sinha
Chairperson
DIN: 08488285

Date: 13th August, 2022
Place: Mumbai

Annexure I

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

**Part A Subsidiaries (Not Applicable)
Part B Associates and Joint Ventures**

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

| Name of Associates or Joint Ventures | NG & TARMAT JV GUJARAT | NG TARMAT GOA JV | MSKEL-TARMAT JV | SONAI TARMAT JV |
|---|------------------------|------------------|------------------|------------------|
| 1. Latest audited Balance Sheet Date | 31.03.22 | 31.03.22 | 31.03.22 | 31.03.22 |
| 2. Date on which the Associate or Joint Venture was associated or acquired | | | | |
| 3. Shares of Associate or Joint Ventures held by the company on the year end | | | | |
| No. | Nil | Nil | Nil | NIL |
| Amount of Investment in Associates or Joint Venture | Nil | Nil | Nil | NIL |
| Extent of Holding (in percentage) | 40% | 26% | 49% | 20% |
| 4. Description of how there is significant influence | Based on holding | Based on holding | Based on holding | Based on holding |
| 5. Reason why the associate/joint venture is not consolidated | NA | NA | NA | NA |
| 6. Net worth attributable to shareholding as per latest audited Balance Sheet | | | | |
| 7. Profit or Loss for the year | | | | |
| i. Considered in Consolidation | Yes | Yes | Yes | Yes |
| ii. Not Considered in Consolidation | NA | NA | NA | NA |

Names of associates or joint ventures which are yet to commence operations: NONE

Names of associates' or joint ventures which have been liquidated or sold during the year: NONE

Note: This Form is to be certified in the same manner in which the Balance Sheet is to be certified".

For and on behalf of the board of directors

Sd/-
Mrs. Regina Manish Sinha
Chairperson
Din No. 08488285

Date: 13th August, 2022
Place: Mumbai

Annexure II

STATEMENT OF DISCLOSURE OF REMUNERATION

Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

| | | | |
|-------|---|--|--------------------------------|
| (i) | The Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2021-22. | Director's Name | Ratio to mean remuneration |
| | | - | - |
| | | - | - |
| (ii) | The Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager if any in the financial year 2021-22 | Director's/CFO/CEO/CS/Mgr name | % age increase in remuneration |
| | | Mr. Shivatosh Chakraborty, Company Secretary and Chief Financial Officer | 0% |
| (iii) | Percentage increase in the median remuneration of employees in the financial year 2021-22 | NIL | |
| (iv) | Number of permanent employees on the rolls of the company | As on 31.03.2022 | As on 31.03.2021 |
| | | 83 | 83 |
| (v) | Average percentile increase in salaries of Employees other than managerial personnel | During 2021-22 | During 2020-21 |
| | | NIL | 44.53 |
| (vi) | Affirmation that the remuneration is as per the remuneration policy of the Company | The Company affirms remuneration is as per the remuneration policy of the Company. | |

For and on behalf of the board of directors

Sd/-
Mrs. Regina Manish Sinha
Chairperson
DIN: 08488285

Date: 13th August, 2022
Place: Mumbai

Management Discussion and Analysis Report

1. Industry Structure and Development and Outlook

India's economic growth estimated at 9.2% to be the highest among all large economies. Government has introduced Prime Minister's Gati Shakti National Master Plan, which has seven engines in the National infrastructure pipeline such as Roads, Railways, Airport, mass transportation, waterways and logistics.

Development of a country depends on its infrastructure facilities. The development of Agriculture and industry solely depends on its infrastructure.

In India high priority was given to the development of infrastructure in all planning since beginning. Government has further introduced some general measures for all infrastructure projects like 15 years tax holiday, creation of foreign investment development authority, import duty structure etc.

60 lakhs new jobs to be created under the productivity linked incentive scheme in 14 sectors.

2. Opportunities & Threats

Tarmat has been the pioneers in airport runway works and air side works. Government of India has announced that National highway to be expanded by 25,000 km in 2022-23. Rs.20,000 crores to be mobilised for National High network expansion. The Government has announced a major initiative for road development and National high way development, cost of which is estimated at Rs.54000 crores. National Ropeways development contract to be awarded for 8 projects. 2000 kilometre of Railway network to be brought under kavach.

However, land acquisition, project credibility, fund availability and high fund, are some of factors, which may affect project implementation.

Your Company has on-going projects in Mumbai airport, Chennai airport and Jammu.

3. Internal Control

The Company has a proper and adequate system of internal controls covering all operational and financial functions commensurate with the size of the company. The company's internal control is designed in such a way that it ensures corporate strategy is implemented, achieve effective and efficient corporate processes, safeguard the value of corporate assets, reliability and integrity of accounting and management data, and operations comply with all existing rules and regulations. All the financial and audit control systems are also reviewed by the Audit Committee of the Board of Directors of the company.

4. Operations

The Company's operations are continued in the areas of implementing projects in areas such as airport, roads, bridges, etc. In all the areas, the company continued its focus on cost reduction and cost control at all levels.

5. Human Resources and Industrial Relations

The company understands the value of acquiring the highly intellectual human capital which the company believes is a crucial asset of the company. For this purpose, company follows the strategy "to attract, to retain and to motivate" the personnel through providing the framework for helping employees develop their personal and organizational skills, knowledge, and abilities. We have focused on to build positive attitude in the employees while working with Tarmat Limited. Tarmat Limited follows the principle-"good performance should be appreciated by good rewarding."

6. Risk and Concerns

The infrastructure sector employs high numbers employees, besides having economic potential. But each sector has its own risk and concerns. Common risks in the sector are operating risk, completion risk, demand risk, cost overrun risk, unviable finance risk

During the year, the Board has reviewed the process and the Risks that have already been identified for the business and necessary action for mitigation has been initiated.

Risks impacting the Company's overall governance are given below:

Liquidity risk, Interest rate risk, Credit risk, Commodity price risk, foreign currency fluctuation risk, Market risk, Salary risk, Interest risk, Investment risk, Health, Safety And Environment Risks, Political, Legal And Regulatory Risks, Fraud and Cyber Security, Other Operational Risks, Counter Party Risks and Working capital challenges.

7. Details of significant changes in key financial ratios.

In accordance with the amended SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company is required to give 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 thereof: The Company has identified following ratios as key financial ratios:

| Particulars | FY 2021-22 | FY 2020-21 | %Change | Reason for change of 25% or more as compared to the immediately previous financial year |
|-----------------------------|------------|------------|---------|---|
| Debtors Turnover | 9.96 | 9.57 | 4.08 | |
| Inventory Turnover | 3.37 | 3.31 | 2.11 | |
| Interest Coverage Ratio | 3.07 | 1.43 | 114.69 | Reduction of Loan amount. |
| Current Ratio | 3.07 | 2.59 | 18.53 | |
| Debt Equity Ratio | 1.06 | 1.46 | -27.40 | |
| Operating Profit Margin (%) | 4.08 | 4.18 | -2.39 | |
| Net Profit Margin | 2.83 | 2.96 | -4.39 | |
| Return on Net Worth | 4.89 | 8.31 | -41.16 | |

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-
Mrs. Regina Manish Sinha
Chairperson
DIN: 08488285

Date: 13th August,2022
Place: Mumbai

REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance for the year ended 31st March, 2022 in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (The "Listing Regulations")

1. Company's Philosophy on Corporate Governance:

Corporate governance represents the value framework, the ethical framework and the moral framework under which business decisions are taken. Corporate governance therefore calls for three factors:

- a) Transparency in decision-making
- b) Accountability which follows from transparency because responsibilities could be fixed easily for actions taken or not taken, and
- c) The accountability is for the safeguarding the interests of the stakeholders and the investors in the organisation.

Effective corporate governance depends upon the commitment of the people in the organisation. Your company has a strong legacy for fair, transparent and ethical governance policies. The company has adopted a code of conduct for members of Board of Directors and senior management who have affirmed in writing their adherence to the code.

2. Board of Directors:

(A) Composition and size of the Board

The Board of Directors of the Company consists of eminent persons with considerable professional expertise and experience in business, finance, human resources and management. The composition of the Board of Directors with reference to number of Executive and Non-Executive Directors, complies with the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As on March 31, 2022, the Company's Board consists of Six Directors, out of which One is Executive Director, Three are Non Executive and Independent Directors and Two are Non Executive Directors. None of the Directors on the Board is a member of more than ten Committees and Chairman of more than five Committees as specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 across all companies in which they are Directors. The Board does not have any Nominee Director representing any institution.

The details of the Board of Directors as on March 31, 2022 are given below:

| Name of Director | Date of Appointment | Category | No. of Directorship held in Indian public & private Limited Companies Including (TARMAT LIMITED) | Committee(s) position (Including (TARMAT LIMITED)) | |
|--------------------------|---------------------|---|--|--|----------|
| | | | | Member | Chairman |
| Mr. Ramesh Chander Gupta | 14.07.2012 | Non-Executive, Independent Director | 01 | 03 | Nil |
| Mrs. Regina Manish Sinha | 02.05.2019 | Chairperson Non-Executive, Independent Director | 01 | 04 | 02 |
| Mr. Amit A. Shah | 30.05.2019 | Executive Director | 01 | 01 | Nil |
| Mr. Kishan Kumar Kinra | 17.10.2019 | Non-Executive Independent Director | 01 | 04 | 02 |
| Mr. Amit Kumar Goyal | 24.08.2020 | Non-Executive Director | 03 | 03 | Nil |
| Mr. Jayeshkumar M. Patel | 24.08.2020 | Non-Executive Director | 01 | Nil | Nil |

(B) Details of Board and Annual General Meetings and attendance record of Directors thereat

During the financial year 2021-2022 the Board of Tarmat Limited met 8 times on 29.06.2021,14.08.2021, 21.08.2021, 13.11.2021, 03.12.2021, 23.12.2021,25.01.2022 and 14.02.2022.

A table depicting the attendance of each Director at Board Meetings and the last Annual General Meeting (AGM) is as under:

| Name of the Director | No. of the Board Meetings held during the year 2021-2022 | No. of the Board Meetings attended during the year 2021-2022 | Attendance at the AGM held on 28th September, 2021 |
|--------------------------|--|--|--|
| Mr. Ramesh Chander Gupta | 08 | 02 | YES |
| Mrs. Regina Manish Sinha | 08 | 08 | YES |
| Mr. Amit Shah | 08 | 08 | YES |
| Mr. Kishan Kumar Kinra | 08 | 06 | YES |
| Mr. Amit Kumar Goyal | 08 | 08 | YES |
| Mr. Jayeshkumar M. Patel | 08 | 08 | YES |

(C) No of Shares held by Non Executive Directors

| Name of Director | No. of Shares | % of shareholding |
|--------------------------|---------------|-------------------|
| Mr. Ramesh Chander Gupta | Nil | 0.00% |
| Mrs. Regina Manish Sinha | Nil | 0.00% |
| Mr. Kishan Kumar Kinra | Nil | 0.00% |
| Mr. Amit Kumar Goyal | Nil | 0.00% |
| Mr. Jayeshkumar M. Patel | Nil | 0.00% |

The details of programmes for familiarization of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters.

(D) Skill, expertise and competence of the Board of Directors

The Table below summarizes the list of core skills, expertise, competencies of the Board as required in the context of its business:-

| | |
|-----------------------|--|
| Infra Engineering | Knowledge and experience of Civil Engineering. |
| Finance | Expert knowledge and understanding in the field of Accounts, Auditing and Financial Control System. |
| Corporate Governance | Experience in developing good governance practice, serving the best interest of the stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values. |
| Strategy and Planning | Appreciation of long term trends, strategic choices and experience in guiding and leading management team to make decision in uncertain environment. |
| Legal Compliance | Knowledge in the field of law and legal compliance management. |

(E) Confirmation of Independence

During the year ended 31.03.2022, there have been Three Independent Directors on the Board of the Company. All the Independent Directors have provided a declaration of their independence for the year 2021-22 to the Board. The Board after undertaking due assessment of the veracity of the declaration is of the opinion that each Independent Director fulfills the conditions of independence as specified in the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 and is independent of the management.

(F) Meeting of Independent Directors

The Independent Directors of the Company meet at least once in every financial year without the presence of Executive Directors or management personnel. All Independent Directors strive to be present at such meetings. One Meeting of Independent Directors was held During the Financial Year 2021-2022, i.e on 14th February 2022.

3. Committees of the Board:

The Board constituted committees namely, Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee are in accordance with the terms of reference determined by the Board. Meetings of each of these Committees are convened by the respective Chairman. Matters requiring Board's attention/approval are placed before the Board. The role, the composition of these Committees including the number of meetings held during the financial year and the related attendance detail are provided below:

(A) Audit Committee Composition

The Audit Committee comprises of four members: Mrs., Regina Manish Sinha - Chairperson, Mr. Ramesh Chander Gupta and Mr. Kishan Kumar Kinra - independent directors, Mr. Amit Kumar Goyal – Non Executive Director and Mr. S. Chakraborty, Company Secretary also acts as the Secretary to the Audit Committee.

Terms of reference of the Audit Committee

The terms of reference of the Audit Committee, inter-alia, include:

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 1. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
 2. Changes, if any, in accounting policies and practices and reasons for the same.
 3. Major accounting entries involving estimates based on the exercise of judgment by management.
 4. Significant adjustments made in the financial statements arising out of audit findings.
 5. Compliance with (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other legal requirements relating to financial statements.
 6. Disclosure of any related party transactions.
 7. Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the Whistle Blower mechanism;
- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Meetings and Attendance during the year

During the year 2021-2022 the Audit committee met four times i.e on 29th June 2021, 14th August 2021, 13th November 2021 and 14th February 2022 and the attendance record of committee members to the meetings so held is depicted in the table given below:

| Name of the Member(s) | No. of Meetings held | Meeting Attended |
|--------------------------|----------------------|------------------|
| Mrs. Regina Manish Sinha | 04 | 4 |
| Mr. Ramesh Chander Gupta | 04 | 2 |
| Mr. Kishan Kumar Kinra | 04 | 4 |
| Mr. Amit Kumar Goyal | 04 | 4 |

(B) Nomination and Remuneration Committee Composition

The Company has in place a Nomination and Remuneration Committee comprising of three Independent Non- Executive Directors namely, Mr. Kishan Kumar Kinra as its Chairman, Mrs. Regina Manish Sinha and Mr. Ramesh Chander Gupta as members and one Non-Executive Director namely Mr. Amit Kumar Goyal.

Terms of reference

- Succession planning of the Board of Directors and Senior Management Employees;
- Identifying and selection of candidates for appointment as Directors / Independent Directors based on certain laid down criteria;
- Identifying potential individuals for appointment as Key Managerial Personnel and to other Senior Management positions;
- Formulate and review from time to time the policy for selection and appointment of Directors, Key Managerial Personnel and senior management employees and their remuneration;
- Review the performance of the Board of Directors and Senior Management Employees based on certain criteria as approved by the Board.

Meetings and Attendance during the year

During the year 2021-2022 the Nomination and Remuneration committee met one time i.e. on 25th January 2022 and the attendance record of committee members to the meetings so held is depicted in the table given below:

| Name of the Member(s) | No. of Meetings held | Meeting Attended |
|--------------------------|----------------------|------------------|
| Mrs. Regina Manish Sinha | 01 | 1 |
| Mr. Ramesh Chander Gupta | 01 | 1 |
| Mr. Kishan Kumar Kinra | 01 | 1 |

Remuneration of Directors

The table given below specifies the details of remuneration package of Directors and their relationships with other Directors on the Board (relationship to mention).

| Name of Director | Salary in Rs. | Sitting Fees Rs. | Total in Rs. |
|--------------------------|---------------|------------------|--------------|
| Mr. Ramesh Chander Gupta | Nil | Nil | Nil |
| Mrs. Regina Manish Sinha | Nil | Nil | Nil |
| Mr. Amit Shah | 30,00,000 | Nil | 30,00,000 |
| Mr. Kishan Kumar Kinra | Nil | Nil | Nil |
| Mr. Amit Kumar Goyal | Nil | Nil | Nil |
| Mr. Jayeshkumar M. Patel | Nil | Nil | Nil |

The Company pays remuneration to its Executive Director by way of salary, perquisites, allowances etc. He is appointed for period of Five years.

There are no pecuniary relationships or transaction of non-executive Directors except payment of Director's sitting fees.

The criteria of making payments to the Non-Executive Directors is laid down in the Nomination & Remuneration Policy of the Company which is available on Company's website at www.tarmat.in

Performance evaluation criteria for Independent Director:

The Company has laid down evaluation criteria for Independent Directors. The criteria for evaluation of Directors includes parameters such as attendance, maintaining effective relationship with fellow Board members, providing quality and valuable contribution during meetings, successfully bringing their knowledge and experience for formulating strategy of the company etc. Based on such criteria, the evaluation is done in a structured manner through consultation and discussion.

(C) Stakeholder Relationship Committee Composition

The Stake-holders Relationship Committee constituted by the Board comprises of three Independent Directors, namely Mr. Kishan Kumar Kinra, Mrs. Regina Manish Sinha and Mr. Ramesh Chander Gupta - Independent Directors and One Non-Executive Director namely Mr. Amit Kumar Goyal .

Mr. Kishan Kumar Kinra an Independent, Non-Executive Director, is the Chairman of the Committee.

Terms of Reference

- transfer/transmission of shares/debentures and such other securities as may be issued by the Company from time to time;
- issue of duplicate share certificates for shares/debentures and other securities reported lost, defaced or destroyed, as per the laid down procedure;
- issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates / certificates relating to other securities;
- issue and allot right shares / bonus shares pursuant to a Rights Issue / Bonus Issue made by the Company, subject to such approvals as may be required;
- to grant Employee Stock Options pursuant to approved Employees' Stock Option Scheme(s), if any, and to allot shares pursuant to options exercised;
- to issue and allot debentures, bonds and other securities, subject to such approvals as may be required;
- to approve and monitor dematerialization of shares / debentures / other securities and all matters incidental or related thereto;
- to authorize the Company Secretary and Head Compliance / other Officers of the Share Department to attend to matters relating to non-receipt of annual reports, notices, non-receipt of declared dividend / interest, change of address for correspondence etc. and to monitor action taken;
- monitoring expeditious redressal of investors / stakeholders grievances;
- All other matters incidental or related to shares.

Meetings and Attendance during the year

During the year 2021-2022 the Stakeholder Relationship Committee met four times i.e on 29th June 2021, 14th August 2021, 13th November 2021 and 14th February 2022 and the attendance record of committee members to the meetings so held is depicted in the table given below:

| Name of the Member | No. of meetings held | No. of meetings attended |
|--------------------------|----------------------|--------------------------|
| Mr. Kishan Kumar Kinra | 04 | 4 |
| Mrs. Regina Manish Sinha | 04 | 4 |
| Mr. Ramesh Chander Gupta | 04 | 2 |
| Mr. Amit Kumar Goyal | 04 | 4 |

(D) CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The Corporate Social Responsibility (CSR) Committee is constituted pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The composition of the Committee and attendance of the members of the Committee at the meetings held is as below. The CSR Committee met 1(One) times during the financial year ended March 31, 2022 i.e. on January 25, 2022.

| Name of the Member | No. of meeting held | No. of meeting attended |
|--------------------------|---------------------|-------------------------|
| Mrs. Regina Manish Sinha | 1 | 1 |
| Mr. Amit Shah | 1 | 1 |
| Mr. Kishan Kumar Kinra | 1 | 1 |

On January 22, 2021, the Ministry of Corporate Affairs notified the provisions of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 and to bring the CSR Policy of your Company in line with those Amendments, the Board of Directors of your Company approved the corresponding amendments in the CSR Policy of your Company on January 25, 2022.

The terms of reference of the Corporate Social Responsibility Committee broadly includes the following:

- To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and the review thereof at periodical intervals;
- To recommend the amount of expenditure to be incurred on the CSR activities.
- To formulate and recommend to the Board of Directors, annual action plan in pursuance of the CSR Policy;
- To monitor the expenditure incurred on the specified activities; and
- To monitor the implementation of Corporate Social Responsibility Policy of the Company from time to time.

Name and designation of compliance officer

Mr. S. Chakraborty Company Secretary is the Compliance Officer pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Details of investor complaints received and redressed during the year 2021-22 are as follows:

| Opening Balance | Received during the year | Resolved during the year | Closing Balance |
|-----------------|--------------------------|--------------------------|-----------------|
| Nil | Nil | Nil | Nil |

4. General Body Meetings:

Annual General Meeting: Details of last three Annual General Meetings held are as follows:

| Year | Location | Date and Time | Details of Special Resolution Passed |
|--------------------------|---------------------------------|--------------------------|--|
| Thirty Six AGM 2020 2021 | Through Video Conferencing (VC) | 28.09.2021 01.00 P.M. | <ol style="list-style-type: none"> Increase of Authorised Capital Clause of the Memorandum of Association. Alteration in the Clause No. V of the Memorandum of Association. Alteration in the Clause No. 3 of the Articles of Association of the Company. |

| Year | Location | Date and Time | Details of Special Resolution Passed |
|----------------------------|---|---------------------------|---|
| | | | <p>4. The conversion of Loan of the Promoter to the Company into equity shares that was used for the purpose of settlement of Bank/ FI Loans.</p> <p>5. Preferential issue and allotment of 7983548 convertible warrants into 7983548 equity shares of face value of Rs. 10/- each the Company to Promoter(s) and Non-Promoter(s)</p> |
| Thirty Fifth AGM 2019-2020 | Through Video Conferencing (VC) | 06.11.2020 01.30 P.M. | 1. Remuneration to Mr. Amit Shah – Executive Director and KMP |
| Thirty Four AGM 2018-2019 | Hotel Sea Princess, Juhu Tara Road, Juhu Beach, Mumbai. | 30.09.2019, 03.00 P.M. | 1. Re-Appointment of Mr. Ramesh Chander Gupta (DIN: 00554094) as an Independent Director of the Company. |

- (a) Postal Ballot / Extraordinary General Meeting : No postal Ballot / extraordinary general meeting of the members was held during FY 2022.
- (b) A certificate has been received from Prashant Diwan, Practising Company Secretaries, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

5. PERFORMANCE EVALUATION :

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulation, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Board Committees.

The performance evaluation of the Executive Director and the Non-Independent Directors was carried out by the Independent Directors. The Directors express their satisfaction with the evaluation process.

6. Affirmations and Disclosures:

- (i) All related party transactions have been entered into in the ordinary course of business and were placed periodically before the audit committee in summary form. There were no material individual transaction with related parties which were not in the normal course of business required to be placed before the audit committee and that may have potential conflict with the interest of the Company at large. All individual transactions with related parties or others were on an arm's length basis.
- (ii) There were few cases of non-compliance by the Company and no penalties, strictures were imposed on the Company by SEBI or any Statutory Authority on any matter related to capital markets, during the last three years except NSE & BSE has levied the fine for non Compliance under SEBI (LODR) Regulation, 2015.
- (iii) In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.
- (iv) The Company has a formal system of internal control testing which examines both the design effectiveness and operational effectiveness to ensure reliability of financial and operational information and all statutory / regulatory compliances.
- (v) The CEO and the CFO have issued certificate pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.

- (vi) The Board of Directors has approved a Code of Business Conduct which is applicable to the Members of the Board and all employees. The Code has been posted on the Company's website www.tarmatlimited.com.
- (vii) The Company has adopted a Vigil Mechanism/Whistle Blower Policy. Any employee can approach Chairman of the Audit Committee with information/disclosure under the said Policy. No employee has been denied access to the Audit Committee as a part of such Mechanism/Policy.
- (viii) Management Discussion and Analysis forms part of the Annual Report to the Shareholders and it includes discussion on matters as required under the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with Stock Exchanges.
- (ix) All the guidelines issued by the SEBI and Stock Exchange or other statutory authority on the matter related to capital markets are fully complied.
- (x) The Company has adopted a policy on determination of materiality of events for disclosures (Determining Materiality of Events).
- (xi) The Company has adopted a policy on archival and preservation of documents (Preservation of Documents)
- (xii) The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

All Board Directors and the designated employees have confirmed compliance with the Code.

7. POLICY ON PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

For the year under review there was no woman employee in the employment of the company, therefore the provisions of the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 does not imply to the Company.

8. Means of Communication:

1. Publication of Results;

The quarterly / annual results of the Company are published in the leading newspapers viz. Mumbai Lakshadweep (Marathi) and Active Times (English).

9. General Shareholder Information:

i. Annual General Meeting:

The forthcoming 37th Annual General Meeting of the Tarmat Limited will be held on Friday, 30th September, 2022 at 02.00 p.m. through video conferencing/ other audio visual means organized by the company at the registered office of the company at General A. K. Vaidya Marg, near Wageshwari Mandir, off. Film City Road, Malad (e), Mumbai 400 097.

ii. Financial Calendar:

Year ending: March 31, 2022.

iii. Dividend Payment:

To conserve the cash for the future growth, the Company has not recommended any dividend for this year.

iv. Book Closure / Record Date:

The Register of members and share transfer books of the Company will remain closed from Saturday, 24.09.2022 to Friday, 30.09.2022 (both days inclusive) for the purpose of the AGM.

v. During the year the Company has not obtained any credit rating

vi. Listing on Stock Exchanges

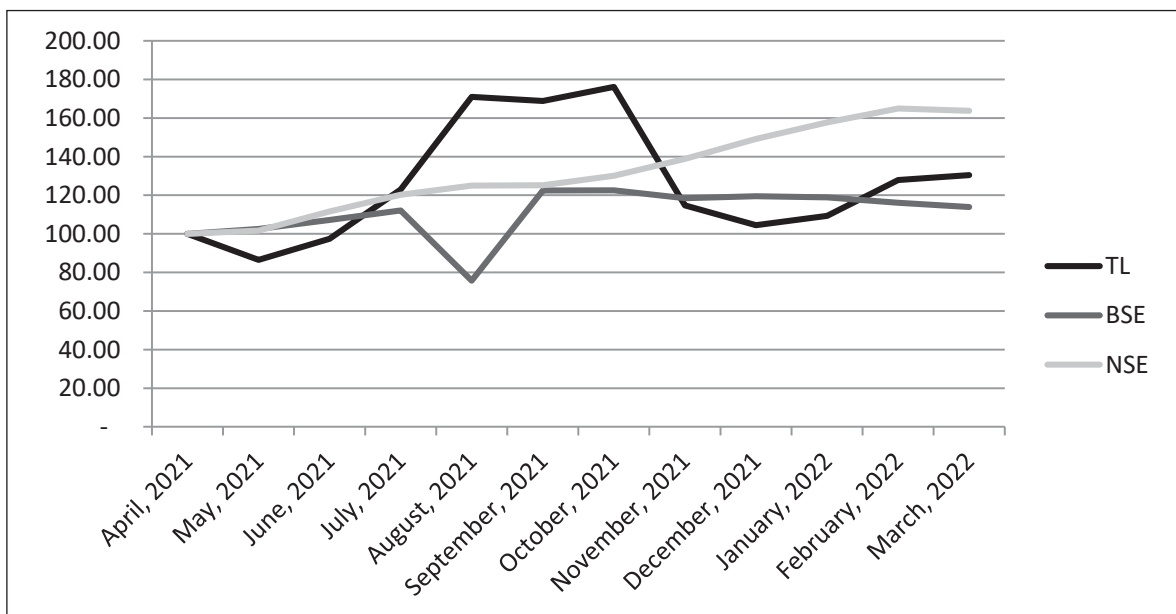
The Company's shares are listed on the following Stock Exchanges and the Listing Fees of BSE Limited and listing fee of National Stock Exchange of India Limited has paid:

| Name & Address of the Stock Exchanges | Stock Code/Scrip Code | ISIN Number for NSDL/CDSL (Dematerialised share) |
|--|-----------------------|--|
| Name: BSE Limited Address: Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001. | 532869 | INE924H01018 |
| Name: The National Stock Exchange of India Limited Address: Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai 400051. | TARMAT | INE924H01018 |

vii. **Stock Market Price at National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) for the period from April 2021 to March 2022:**

| | BSE | | NSE | |
|----------------|-------|-------|-------|-------|
| | High | Low | High | Low |
| April -2021 | 59.95 | 42.50 | 60.00 | 43.05 |
| May-2021 | 67.40 | 47.25 | 68.00 | 43.95 |
| June - 2021 | 67.25 | 55.00 | 67.20 | 56.25 |
| July- 2021 | 98.00 | 58.00 | 98.20 | 60.00 |
| August -2021 | 89.65 | 57.60 | 89.85 | 57.30 |
| Septemebr-2021 | 66.80 | 60.20 | 66.90 | 60.15 |
| October-2021 | 75.95 | 59.95 | 76.10 | 59.15 |
| November-2021 | 72.00 | 54.25 | 68.90 | 53.30 |
| December-2021 | 83.05 | 54.30 | 78.70 | 54.70 |
| January-2022 | 81.60 | 63.00 | 81.70 | 63.15 |
| February-2022 | 72.25 | 47.90 | 75.00 | 47.15 |
| March-2022 | 72.30 | 50.20 | 72.80 | 53.65 |

viii **Comparison of closing prices of the Company's share with the broad-based indices viz NSE Nifty & BSE Sensex.**



ix. **Registrar and Transfer Agent**

Bigshare Services Private Limited is the Registrar and Transfer Agent (RTA) of the Company, handling the shareholders and the share related matters, both in physical and the dematerialized segment.

The contact details of the RTA are as under:

BIGSHARE SERVICES PRIVATE LIMITED

(Unit: Tarmat Limited)

S6-2, 6th floor Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Andheri (East) Mumbai – 400093.

Board No. : 022-62638200 Fax No: 022-62638299

shwetasa@bigshareonline.com | www.bigshareonline.com

x. Share Transfer System

As of date, 99.99% of the Equity shares of the company are in electronic form. Transfer of these share are done through the depositories without any involvement of the company.

For speedy processing of share transfers, the Board has delegated powers to approve share transfers to the Shareholders' / Investors' Grievance Committee. Transfers of shares in physical form are normally processed within 15 days of receipt, provided the documents are complete in all respect. All transfers are first processed by the Transfer Agent and are submitted to the company for approval thereof. Thereafter, authorised officers of the company approve the transfer and shares are returned to the shareholders.

Pursuant to Regulation 40 (9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, certificates from a practicing Company Secretary on half yearly basis to the effect that all the transfers are completed in the statutorily stipulated time period have been obtained. Copy of the certificate so received is submitted both stock exchanges where shares of the company are listed.

xi. Distribution of shareholding as on 31st March 2022

| Sr. No. | Slab of Shareholding No. of equity shares held | | No. of Shareholders | In % | Shares | Percentage of Total |
|---------|---|-----------|---------------------|---------------|------------------|---------------------|
| | From | To | | | | |
| 1 | 1 | 500 | 9589 | 88.13 | 1017725 | 7.63 |
| 2 | 501 | 1000 | 659 | 6.06 | 546260 | 4.10 |
| 3 | 1001 | 2000 | 301 | 2.77 | 455757 | 3.42 |
| 4 | 2001 | 3000 | 109 | 1.00 | 274821 | 2.06 |
| 5 | 3001 | 4000 | 59 | 0.54 | 211372 | 1.58 |
| 6 | 4001 | 5000 | 41 | 0.38 | 194698 | 1.46 |
| 7 | 5001 | 10000 | 56 | 0.51 | 408564 | 3.06 |
| 8 | 10001 | and above | 66 | 0.61 | 10221510 | 76.68 |
| | | | 10880 | 100.00 | 133307070 | 100.00 |

xii. Shareholding pattern as on 31st March 2022

| Sr. no. | Category | No. of Shares | % holding |
|---------|--|----------------|--------------|
| | Shareholding Pattern of The Promoter and Promoter Group | | |
| 1. | Indian | | |
| (a) | Individuals/Hindu undivided Family | 3958103 | 29.69 |
| (b) | Central Government/State Government(s) | 0.00 | 0.00 |
| (c) | Financial Institutions/Banks | 0.0 | 0.00 |
| (d) | Any Other(Group Companies) | 1361448 | 10.21 |
| | Individuals(Non-Resident Individuals/Foreign Individuals) | 0.00 | 0.00 |
| 2. | Foreign | | |
| (a) | Individuals(Non-Resident Individuals/Foreign Individuals) | 0.00 | 0.00 |
| (b) | Government | 0.00 | 0.00 |
| (c) | Institutions | 0.00 | 0.0 |
| (d) | Foreign Portfolio Investor | 0.00 | 0.00 |
| | Total | 5319551 | 39.90 |

| Sr. no. | Category | No. of Shares | % holding |
|---------|---|-----------------|---------------|
| | Statement Showing Shareholding Pattern of The Public Shareholder | | |
| 1. | Institutions | 0.00 | 0.00 |
| 2. | Central / State government(s) | 0.00 | 0.00 |
| 3. | Banks | 0.00 | 0.00 |
| (a) | Individuals - i. Individual shareholders holding nominal share capital up to Rs.1 lakhs. | 2788549 | 20.92 |
| (a)(2) | INDIVIDUAL - ii. Individual shareholders holding nominal share capital in excess of Rs.1 lakhs. | 2191196 | 16.44 |
| (b) | Employee Trusts | | |
| (c) | Overseas Depositories (holding DRs) (balancing figure) | | |
| (d) | Any Other | | |
| | (Bodies Corporate) | 2342106 | 17.57 |
| | (Clearing Member) | 47299 | 0.35 |
| | HUF | 164723 | 1.24 |
| | (Non Resident Indians) | 107259 | 0.80 |
| | Directors/Relatives | 370024 | 2.78 |
| | | 8011156 | 60.10 |
| | Grand Total | 13330707 | 100.00 |

xiii. Dematerialization of shares and liquidity

Shares of the Company are compulsorily traded in dematerialized form and are available for trading under both the depositories i.e. NSDL and CDSL.

As on 31st March 2022, 99.99% Equity shares of the Company representing 13330707 Shares out of a total of 13330388 equity shares were held in dematerialized form, and the balance 319 shares were held in physical form.

xiv. Address for Correspondence

Shareholders may correspond with –

i. Registrar & Transfer Agents for all matters relating to transfer / dematerialization of shares, payment of dividend, demat credits, etc. at :

BIGSHARE SERVICES PRIVATE LIMITED
 (Unit: Tarmat Limited)
 S6-2, 6th Floor Pinnacle Business Park,
 Next to Ahura Centre, Mahakali Caves Road,
 Andheri (East) Mumbai – 400093.
 Email: shwetast@bigshareonline.com
 Website: www.bigshareonline.com
 Contact Name: Shweta Salunke

ii. For all investor related matters:

Mr. Shivatosh Chakraborty
 Company Secretary
 Tarmat Limited
 Tank Road, Off Gen Vaidya Marg,
 Malad (East), Mumbai - 400 0097
 Tel: +91-22-2840 2130/ 1180
 Email: tarmatcs@gmail.com
 Website: www.tarmat.in

iii. Registered Office

Tank Road, Off. Gen Marg,
 Malad (East), Mumbai - 400 0097
 Tel: +91-22-2840 2130/ 1180

Annexure III

**SECRETARIAL AUDIT REPORT
Form No. MR-3**

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

[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
TARMAT LIMITED
P B No 9042
Goregaon East
Mumbai – 400 063

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by TARMAT LIMITED having CIN: L45203MH1986PLC038535 (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the 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 31st March, 2022 generally 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 through digital mode the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
 - (c) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.

As per the representations made by the management and relied upon by me, during the period under review, provisions of the following regulations were not applicable to the Company:

- (i) 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;
- (ii) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
 - (a) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;

- (e) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; and
- (f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulation; 2013.

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

- (i) Secretarial Standards 1 & 2 issued by the Institute of Company Secretaries of India under the Companies Act, 2013.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

- (i) The outstanding Share application money has not been transferred to Investor Education and Protection Fund as required under Section 205 of the Companies, Act 1956.
- (ii) The Company has not transferred Equity shares to Investor Education Protection Fund in pursuance to provisions of Section 124(6) of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Auditing, Transfer and Refund) Rules, 2016.
- (iii) Regulation 19(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 – The Nomination and Remuneration Committee of the Company was not properly constituted with respect to number of Independent Directors for the period from 01.01.2022 to 24.01.2022
- (iv) Regulation 74(5) of SEBI (Depositories and Participants) Regulations, 2018 – The certificate as mentioned in the regulation not submitted to Depositories for all the quarters.
- (v) Regulation 31(2) of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 – The shareholding of promoter(s) and promoter group is not Hundred percent in dematerialized form.
- (vi) Regulation 46 of SEBI (Listing obligations and Disclosure Requirements) Regulation, 2015 – The Company has not maintained a functional website containing information mentioned in said Regulation.
- (vii) Regulation 163(c) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 – The Company has not provided a link for the Certificate of Statutory Auditor in the notice for the general meeting of the shareholders considering the proposed preferential issue
- (viii) BSE Circular LIST/COMP/13/2019-20 dated 16th May 2019 and NSE Circular Ref No: NSE/CML/2019/26 November 01, 2019 – The Company has not filed Annual Report for the year ended 31.03.2021 in XBRL Mode
- (ix) Regulation 3(5) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 - The Company is not maintaining structured digital database containing the nature of unpublished price sensitive information and the names of such persons who have shared the information and also the names of such persons with whom information is shared along with the Permanent Account Number. As per the representation given by Management, the company is taking appropriate steps to comply with the same.
- (x) SEBI Circular SEBI/HO/CFD/DCR1/CIR/P/2018/85 dated 28th May, 2018 - The Company has not disclosed data about directors and employees is to be uploaded on the website of NSDL and CDSL.
- (xi) Regulation 23(9) of SEBI (Listing obligations and Disclosure Requirements) Regulation, 2015 – The Company has filed Related Party Transaction for the half year ended 30.09.2021 with BSE, however the proof of filing with NSE is not produced for verification.
- (xii) The Company has not provided in the Board's Report the web address where annual return referred to in sub-section (3) of section 92 has been placed as prescribed under Section 134 of the Companies Act, 2013
- (xiii) The Company has not provided prescribed disclosures with respect to Corporate Social Responsibility in Board's Report for the year ended 31.03.2021.

I further report that:

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

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

Majority decision is carried through and as informed, there were no dissenting members' views and hence not recorded as part of the minutes.

I further report that as per the representations made by the management and relied upon by me there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure proper compliance with applicable laws, rules, regulations and guidelines, however the same may be further strengthened.

As per the representations made by the management and relied upon by me, I further report that, during the audit period, there were no other specific events / actions in pursuance of the above referred laws, rules, regulations, guidelines, etc., having a major bearing on the Company's affairs, except following:

- (1) The Board of Directors of the company in its meeting held on 29.06.2021 has approved increase of Authorized capital of the Company from Rs. 16 Crores to Rs. 21 Crores.
- (2) The Board of Directors of the company at its meeting held on 21.08.2021 and the Shareholders of the Company at the Annual General Meeting held on 28.09.2021 have approved following:
 - (a) Increase in Authorized Capital from Rs. 16 Crores to Rs. 22 Crores and consequently alteration of Memorandum and Articles of Association accordingly.
 - (b) Conversion of Loan of the promoter group into equity shares that was used for the purpose of settlement of Bank/FI Loans.
 - (c) Issue of 79,83,548 Convertible warrants into 79,83,548 Equity shares in accordance with the Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 through preferential basis at a price of Rs 65 each or such price as calculated as per SEBI (ICDR) Regulations, 2018, including 17,66,151 convertible warrants to promoter group and 62,17,397 convertible warrants to the non-promoter group.
- (3) The Board of Directors of the company at its meeting held on 03.12.2021 have approved the following:
 - (a) Allotment of 17,66,151 warrants convertible into 17,66,151 equity shares of Rs. 10/- each to be issued at a price not less than Rs. 72/- to Promoters against conversion of loan aggregating to Rs. 12,71,62,872/-; &
 - (b) Allotment of 62,17,397 warrants convertible into 62,17,397 equity shares of Rs. 10/- each to be issued at a price not less than Rs. 72/- to Non-Promoters for cash consideration on a preferential basis.

Note: The Company has received In-principle approval for aforesaid convertible warrants from BSE and NSE on 23rd November, 2021.
- (4) The Board of Directors of the Company at its meeting held on 23.12.2021 have approved conversion of 10,50,000 warrants (out of total 6217397 warrants) into 10,50,000 equity shares of Rs. 10/- each issued & allotted at a premium of Rs. 62/- to non-Promoters on a preferential basis.
- (5) The Board at its Meeting held on 25th January, 2022 considered and approved conversion of 14,19,403 warrants of non-Promoters into 14,19,403 Equity Shares.

Prashant Diwan

Practicing Company Secretary

FCS: 1403 CP: 1979

PR: 1683/2022

UDIN: F001403D000794712

Date: 13.08.2022

Place: Mumbai

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

To
The Members
TARMAT LIMITED
P B No 9042
Goregaon East
Mumbai – 400 063

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. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate, Specific and other applicable laws, rules, regulations, standards is the responsibility of management. My 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. I have not carried out the physical verification of any records due to prevailing conditions of COVID-19 in the country. I have relied on the records as made available by the Company through digital mode as well as I have also relied on the Management representation made by the Company.

Prashant Diwan
Practicing Company Secretary
FCS: 1403 CP: 1979
PR: 1683/2022
UDIN: F001403D000794712

Date: 13.08.2022
Place: Mumbai

CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of **Tarmat Limited**

I have examined the compliance of conditions of Corporate Governance by Tarmat Limited for the year ended 31st March 2022, as stipulated in the Regulation 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

In my opinion and to the best of my information and according to the explanation given to me and based on the representations made by the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Regulation 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

For **MEHTA KOTHARI & ASSOCIATES**
Chartered Accountants
FRN : 106247

Sd/-
PRADIP C. MEHTA
Partner
Membership No. 035447
UDIN: 22035447AAAAAW4863

Date: 25th August, 2022

Place: Mumbai

EXECUTIVE DIRECTOR AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATE

I, Amit Shah, Executive Director and S. Chakraborty, Chief Financial Officer (CFO) of Tarmat Limited, to the best of our knowledge and belief hereby certify that:

- a) We have received financial statements and the cash flow statement for the year ended 31st March 2022 and:
- 1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - 2) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are no transactions entered into by the company during the year that are fraudulent, illegal or volatile of the company's code of conduct.
- c) We accept responsibility for the establishing and maintaining internal control systems of the Company pertaining to the auditors and the Audit Committee, deficiencies in the design and operations of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit Committee:
- 1) Significant changes in the internal control over financial reporting during the year;
 - 2) Significant changes in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
 - 3) Instances of the significant fraud of which we have become aware and the involvement therein, if any; of the management or an employee having a significant role in the company's internal control system over financial reporting.

Sd/-
Amit Shah
Executive Director

Sd/-
S. Chakraborty
Chief Financial Officer

Date: 13th August, 2022

Place: Mumbai

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

I, Amit Shah, Executive Director of TARMAT LIMITED hereby confirm pursuant to SEBI (listing obligations and disclosure requirements) regulations, 2015 that:

1. The Board of Directors of TARMAT LIMITED has laid down a Code of Conduct for all the Board members and senior management of the Company. The said Code of Conduct has also been posted on the Investors page of the Company website www.tarmatlimited.com
2. All the Board Members and senior management personnel have affirmed their compliance with the said Code of Conduct for the year ended 31st March 2022.

For **TARMAT LIMITED**

Sd/-
Amit Shah
Executive Director

Date: 13th August, 2022

Place: Mumbai

INDEPENDENT AUDITOR'S REPORT

To,
The Members of
TARMAT LIMITED
Report on the Standalone Ind AS Financial Statements
Qualified Opinion

We have audited the accompanying statement of standalone financial results of Tarmat Limited ("the Company") for the quarter and year ended 31st March, 2022 ("the Statement"), attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, except for the effect of matter described in the basis of qualified opinion paragraph below these financial results:

- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information for the quarter and year ended 31st March, 2022.

Basis for Qualified Opinion

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

1. The consolidated financial statements include financial statements of joint ventures which are not available or not audited wherever available.
2. Internal audit report is not made available for the purpose of our audit and reporting.

Emphasis of matter

The company had applied for GST refund amounting to Rs. 50 Lakhs which was initially debited to GST Cash ledger. Subsequently the company has withdrawn the refund application. The Company's claim of refund of Rs. 50

Lakhs to the GST cash ledger is pending with the GST authorities.

Other Matters

We have not audited the financial results of the Joint Ventures entities. The consolidated financial results include the unaudited financial results of such joint ventures, whose financial statements are certified by the management. The unaudited financial statement/ financial information of these entities (Joint Ventures) have been furnished to us and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these entities (joint Ventures), is based solely on the information given to us by the Board of Directors.

Our opinion on the consolidated financial results is modified in respect of the above matters and the financial results/ financial information certified by the Board of Directors.

The financial results include the results for the quarter ended 31st March, 2022 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significant in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the financial statement as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on

these matters. In the audit of the current period, we have not observed any key audit matters required to be reported separately.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the Board's Report including Annexures to the Board's Report but does not include the financial statements and our auditor's report thereon. 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 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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information. We are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone IND AS Financial Statements

The Company's Board of Directors are responsible for the preparation and presentation of these financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making 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 results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the financial results by the Directors of the Holding Company, as aforesaid.

In preparing the financial results, the Board of Directors of the company are responsible for assessing the ability of the company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the company included in the Group are also responsible for overseeing the Company's financial reporting process of the Group.

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the financial results 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 results.

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

- Identify and assess the risks of material misstatement of the financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) 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 operative effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/ financial information of the entities within the Group to express an opinion on the consolidated financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit except branch wise GST details and reconciliation with GSTIN ledgers and Bank accounts and FD closing balance certificates and certificate for interest credited/ paid by respective banks.
 - (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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account and subject to reconciliation with the Bank Statements.
 - (d) In our opinion, the aforesaid standalone IND AS financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Annexure A

- i. Normally the company enters into long term construction contracts based on tender process and gets the contract based on a fixed price for a construction contract to be completed over the contracted

years. As a normal business practice, the contract price is subject to escalation at mutually agreed proportion to the base price. As certified by the management, company does not foresee a loss on any such contract under execution during the year.

- ii. The company has not transferred the following amounts which were required to be transferred to the Investor Education and Protection Fund by the Company

| Nature of Amount to be transferred | Amount (Rs.) |
|------------------------------------|--------------|
| Share Application Money | 177,000 |

- iii. Based on audit procedures and relying on the management representation and certificates, we report that the disclosures are in accordance with Books of account maintained by the Company and as produced to us by the Management.

For **MEHTA KOTHARI & ASSOCIATES**
Chartered Accountants
FRN : 106247

Sd/-
PRADIP C. MEHTA
Partner
Membership No. 35447
UDIN : 22035447AJYASE4691

Date: 30/05/2022
Place: Mumbai

“Annexure-A”

TARMAT LIMITED

Statement on matters specified in paragraphs 3 & 4 of the Companies (Auditor’s Report) Order 2016 (“the order”), issued by the Central Government in terms of sub section (11) of section 143 of the Companies Act 2013, for the year ended 31st March 2022.

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.
- (b) The Company has a regular program of physical verification of property, Plant and Equipment which are verified in a phased manner over a period of three years. In accordance with this program, certain property, Plant and Equipment were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this frequency of physical verification is reasonable having regard to the size of the company and nature of business.
- (c) The title deeds of immoveable properties are held in the name of the company.
- (d) The Company has not revalued its Property, Plant and Equipment (Including right of use assets) or Intangible assets during the year.
- (e) As per the representations received by the management, there are no proceedings initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibitions) Act 1988 and rules made thereunder.
- (ii) The inventory has been physically verified, valued and certified by the management at the year end. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on such verification were not material and have been properly dealt within the books of account. The management has certified that the inventory and WIP are valued and reported at NRV.
- (iii) The Company had granted short term loan to another company which is received back during the year and no loan is outstanding.
- (iv) In respect of loans, investments, guarantees and security made or provided by the company during the year, the provisions of sections 185 and 186 of the Companies Act 2013 have been complied with.
- (v) In accordance with information and explanations given to us, the company has not accepted any deposits during the year and hence directives issued by the Reserve bank of India and provisions of section 73 to 76 and other applicable provisions of the Companies Act 2013, and rules framed there under are not applicable. No order in this regard, in respect of the company, has been passed by the Company Law Board or Reserve Bank of India or National Company Law Tribunal or any other court or any other tribunal.
- (vi) We have broadly reviewed the books of account maintained by the company pursuant to the rules made by the central government for the maintenance of cost records under section 148 of the Act, and are of opinion that prima facie, the prescribed accounts and records have been made and maintained. Under Section 148 of the Companies Act 2013, the company is liable for Cost Audit by an Independent Cost Auditor. The Management has represented that the Cost Audit for FY 2021-22 is under process. We are unable to comment as the cost audit report is not available for our verification.
- (vii) In our opinion and according to the information and explanation given to us, barring the delay & the non-payment of the following undisputed statutory liability, the company is regular in depositing undisputed statutory dues including Sales Tax, Cess and other material statutory dues, if any applicable to it with appropriate authorities.

| Name of the Statute | Nature of Dues | Amount (Rs) | Period to which the amount relates | Due Date | Date of Payment | Remarks if any |
|----------------------|------------------------|--------------|------------------------------------|------------|-----------------|----------------|
| INCOME TAX ACT, 1961 | TAX DEDUCTED AT SOURCE | 31,75,658/- | 2021-22 | 31.05.2022 | | |
| | 194C | 1,18,868/- | | | 29.04.2022 | |
| | | 1,29,682/- | | | 29.04.2022 | |
| | | 3,95,793/- | | | 29.04.2022 | |

| Name of the Statute | Nature of Dues | Amount (Rs) | Period to which the amount relates | Due Date | Date of Payment | Remarks if any |
|---------------------|----------------|---------------|------------------------------------|------------|-----------------|---------------------------------|
| | | 2,06,861/- | | | 29.04.2022 | |
| | | 1,32,678/- | | | 29.04.2022 | |
| | | 7,26,162/- | | | 29.04.2022 | |
| | | 42,026/- | | | 17.05.2022 | |
| | | 13,247/- | | | 17.05.2022 | |
| | | 42,026/- | | | 17.05.2022 | |
| | | 1,200/- | | | 17.05.2022 | |
| | | 1,01,854/- | | | 17.05.2022 | |
| | | 11,834/- | | | 17.05.2022 | |
| | | 30,922/- | | | 17.05.2022 | |
| | | 17,418/- | | | 17.05.2022 | |
| | | 4,140/- | | | 17.05.2022 | |
| | | 2,783/- | | | 17.05.2022 | |
| | | 96,673/- | | | 17.05.2022 | |
| | 194J | 3,91,525/- | | | 29.04.2022 | |
| | | 13,138/- | | | 17.05.2022 | |
| | | 29,520/- | | | 17.05.2022 | |
| | | 45,000/- | | | 17.05.2022 | |
| | | 2,70,000/- | | | 17.05.2022 | |
| | 194I | 38,147/- | | | 25.04.2022 | |
| | | 1,00,000/- | | | 29.04.2022 | |
| | | 1,00,000/- | | | 17.05.2022 | |
| | | 10,300/- | | | 17.05.2022 | |
| | 194H | 3,025/- | | | 25.04.2022 | |
| | | 750/- | | | 17.05.2022 | |
| | 194Q | 5,650/- | | | 29.04.2022 | |
| | | 20,225/- | | | 29.04.2022 | |
| | | 7,151/- | | | 29.04.2022 | |
| | | 33,189/- | | | 29.04.2022 | |
| | | 4,757/- | | | 17.05.2022 | |
| | | 1,455/- | | | 17.05.2022 | |
| | | 13,247/- | | | 17.05.2022 | |
| | 192B | 77,000/- | | | 25.04.2022 | |
| | 194A | 26376/- | | | Unpaid | |
| MVAT Act 2002 | VAT | 1,08,01,516/- | 2013-14 | 30-04-2014 | Unpaid | |
| | VAT | 1,17,761/- | 2016-17 | 30-04-2017 | Unpaid | |
| Goods & Service Tax | GST Payable | Nil | | | | Reconciliation is not available |
| | Provident Fund | 37,500/- | 2021-22 | 15.04.2022 | 05.04.2022 | |
| | | 6,698/- | 2021-22 | 15.04.2022 | | |
| | ESIC | 6805/- | 2021-22 | 15.04.2022 | 11.04.2022 | |
| | Profession Tax | 33,500 | 2021-22 | 15.04.2022 | 11.04.2022 | |
| | | | | | 25.04.2022 | |
| | | 14,450/- | 2020-21 | 15.04.2021 | 26.04.2021 | |
| | | 1,27,675/- | 2019-20 | 31-03-2019 | 28.05.2022 | |
| | | 1,21,850/- | 2018-19 | 31-03-2019 | 28.05.2022 | |
| | | 1,07,075/- | 2017-18 | 30-04-2018 | 28.05.2022 | |
| | | 57,650/- | 2016-17 | 20-04-2017 | 28.05.2022 | |
| | | 97,675/- | 2015-16 | 20-04-2016 | Unpaid | |

| Name of the Statute | Nature of Dues | Amount (Rs) | Period to which the amount relates | Due Date | Date of Payment | Remarks if any |
|---------------------|-------------------------|--------------|------------------------------------|------------|-----------------|--|
| | | 95,500/- | 2014-15 | 20-04-2015 | Unpaid | |
| | | 69,175/- | 2013-14 | 20-03-2014 | Unpaid | |
| | | 1,65,325/- | 2012-13 | 20-03-2013 | Unpaid | |
| | | 96,950/- | 2011-12 | 20-03-2012 | Unpaid | |
| | Share Application Money | 177000/- | 2005-06 | | | To be Transferred to Investor Education and Protection Fund by the Company |

- (b) According to the information and explanation given to us, there are no dues of Income tax, Sales Tax, Service Tax, Custom duty, Excise duty and Cess which have not been deposited on account of dispute except in the following:

| Name of the Statute | Nature of the dues | Amount involved. | Period Pending Before |
|---------------------|--------------------|------------------|------------------------------------|
| Maharashtra VAT | Assessment | 1,72,20,002/- | 01.04.05 To 31.03.06 JC Appeal VII |
| Maharashtra VAT | Assessment | 4,64,30,255/- | 01.04.06 To 31.03.07 JC Appeal VII |
| Maharashtra VAT | Assessment | 10,51,13,010/- | 01.04.07 To 31.03.08 JC Appeal VII |
| Maharashtra VAT | Assessment | 2,65,11,442/- | 01.04.08 To 31.03.09 DC Appeal V |
| Maharashtra VAT | Assessment | 50,63,931/- | 01.04.09 To 31.03.10 JC Appeal VII |
| Maharashtra VAT | Assessment | 3,81,98,816/- | 01.04.10 To 31.03.11 JC Appeal VII |
| Maharashtra VAT | Assessment | 15,37,12,469/- | 01.04.12 To 31.03.13 JC Appeal VII |
| Maharashtra VAT | Assessment | 22,23,622/- | 01.04.13 To 31.03.14 JC Appeal VII |
| Maharashtra VAT | Assessment | 1,55,06,710/- | 01.04.16 To 31.03.17 JC Appeal VII |
| Maharashtra VAT | Assessment | 21,44,179/- | 01.04.17 To 30.06.17 JC Appeal VII |

The above cases are all under appeal.

The Company has not provided reconciliation statements of GST. Hence the liability towards it could not be ascertained. We are unable to comment on correct GST liability of the company.

- (viii) According to the information and explanations given to us and on the basis of records examined by us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under Income tax Act, 1961 (43 of 1961)

- (ix) Borrowings;

- In our opinion and according to the information and explanations given to us, and representation obtained from the management, the company has not defaulted in repayment of dues to financial institutions or banks.
- In our opinion and according to the information and explanations given to us and representation obtained from the management the company has not been declared wilful defaulter by any bank or financial institution or Government or any Government authority.
- In our opinion and according to information and explanations given to us and representation obtained from the management the Company has not availed term loans during the year.
- In our opinion and according to the information and explanations given to us and representation obtained from management, on an overall examination of financial statements of the company, funds raised on short-term basis have not been used during the year for long-term purposes by the company.

- e. According to information and explanations given to us and representations obtained from the management the company has not taken funds from any entity or person to meet obligations in Joint ventures.
- f. According to information and explanations given to us and representations obtained from the management the company has not raised loans during the year on the pledge of securities held in Joint ventures.
- (x) a. According to the information and explanations given to us, representation obtained from the management, the company has not raised moneys by way of initial public offer or further offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the order is not applicable.
 - b. The Company has made preferential allotment of convertible warrants for the purpose of repayment of loans taken from promoters. As certified by the management, the requirements of sec 42 & 62 of the Companies Act 2013 have been complied with and the funds raised have been used for the purposes for which the funds were raised.
- (xi) a. In accordance with our audit as per generally accepted auditing practices and the information and explanation given to us, no fraud by or on the Company by its officers or its employees has been noticed or reported during the year nor have we been informed of any such case by the management.
 - b. No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT- 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
 - c. According to the information and explanations given to us and representation from Management, no whistle-blower complaints have been received by the company during the year.
- (xii) The company is not a Nidhi Company as defined in section 406(1) of the Companies Act 2013. Therefore clause Xii of para 3 of the order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records, transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements as required by the applicable accounting standards. For reporting on transactions with related parties, we have relied on the list of related parties/ entities provided by the management.
- (xiv) a. The company has an internal audit system commensurate with the size and nature of its business.
 - b. However, the internal audit report was not made available by the company.
- (xv) According to information and explanations given to us and based on our examination of the records, the company has not entered into any non-cash transactions with directors or persons connected with its directors and therefore the provisions of section 192 of Companies Act, 2013 is not applicable.
- (xvi) a. In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934 and has also not conducted any NBFC or Housing activities. Hence, reporting under clause 3(xvi)(a) and (b) of the order are not applicable.
 - b. Neither the company nor any company in the group is a part of the core investment company as defined in the regulations made by RBI. Hence, reporting under clause 3(xvi)(c) and (d) of the order are not applicable.
- (xvii) According to the information and explanations given to us and based on our examination of the financial statements, the company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditor of the Company during the year.
- (xix) On the basis of financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities other information accompanying the financial statements and our knowledge of the Board of Directors and management plans and based on our examination of evidence supporting assumptions and information and explanation given to us by the management, nothing has come to our attentions, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and representation from management. Our report does not give any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) According to the information and explanations given to us by the management, CSR is not applicable for the year.

(xxi) Financial Statements of Joint ventures which are included in the consolidated financial statements are not available or not audited wherever available.

For **MEHTA KOTHARI & ASSOCIATES**
Chartered Accountants
 FRN : 106247

Sd/-
PRADIP C. MEHTA
 Partner
 Membership No. 35447
 UDIN : 22035447AJYASE4691

Date: 30.05.2022

Place: Mumbai

“Annexure-B”

TARMAT LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”) for the year ended 31st March 2022

We have audited the internal financial controls over financial reporting of TARMAT LIMITED (“the Company”) as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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.

Change in Management- Appointment of Directors

As per the information given to us by the management, there is no change.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significant in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the financial statement as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In the audit of the current period, we have not observed any key audit matters required to be reported separately.

Other Matters

We have not audited the financial results of the Joint Ventures entities. The consolidated financial results include the unaudited financial results of such joint ventures, whose financial statements are certified by the management. The unaudited financial statement/ financial information of these entities (Joint Ventures) have been furnished to us and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these entities (joint Ventures), is based solely on the information given to us by the Board of Directors.

Our opinion on the consolidated financial results is modified in respect of the above matters and the financial results/ financial information certified by the Board of Directors.

The financial results include the results for the quarter ended 31st March, 2022 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

Emphasis of Matter

The company had applied for GST refund amounting to Rs. 50 Lakhs which was initially debited to GST Cash ledger. Subsequently the company has withdrawn the refund application. The Company's claim of refund of Rs. 50 Lakhs to the GST cash ledger is pending with the GST authorities.

Auditors' Responsibility

Our objectives are to obtain reasonable assurance about whether the financial results 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 results.

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

- Identify and assess the risks of material misstatement of the financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) 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 operative effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/ financial information of the entities within the Group to express an opinion on the consolidated financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We 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.

Meaning of Internal Financial Controls over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Qualified Opinion

We have audited the accompanying statement of standalone financial results of Tarmat Limited ("the Company") for the quarter and year ended 31st March, 2022 ("the Statement"), attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, except for the effect of matter described in the basis of qualified opinion paragraph below these financial results:

- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information for the quarter and year ended 31st March, 2022.

Basis for Qualified Opinion

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

1. The consolidated financial statements include financial statements of joint ventures which are not available or not audited wherever available.
2. Internal audit report is not made available for the purpose of our audit and reporting.

For **MEHTA KOTHARI & ASSOCIATES**
Chartered Accountants
FRN : 106247

Sd/-
PRADIP C. MEHTA
Partner

Membership No. 035447
UDIN : 22035447AJYASE4691

Date: 30.05.2022
Place: Mumbai

AUDITED STANDALONE BALANCE SHEET AS AT 31ST MARCH 2022

₹ in lacs

| Particulars | Note No. | As at 31st, March 2022 | As at 31st March 2021 |
|--|----------|---------------------------|--------------------------|
| I. ASSETS | | | |
| 1) Non-current assets | | | |
| a) Property, Plant and equipment | 3 | 1,629.41 | 1,708.96 |
| b) Other Intangible Assets | | 14.63 | 14.63 |
| c) Financial Assets | | | |
| i) Investments | 4 | 943.37 | 2,702.22 |
| ii) Loans | 5 | 980.34 | 1,558.08 |
| iii) Other Financial Assets | 6 | 192.78 | 187.51 |
| d) Other Non Current Assets | | | |
| Total Non Current Assets | | 3,760.53 | 6,168.40 |
| 2) Current Assets | | | |
| a) Inventories | 7 | 5,332.45 | 4,275.94 |
| b) Financial Assets | | | |
| i) Trade Receivable | 8 | 1,578.78 | 1,294.04 |
| ii) Cash and Cash equivalents | 9 | 445.60 | 1,464.68 |
| iii) Loans | | | |
| iv) Other Financial Assets | | | |
| c) Current Tax Assets(Net) | 10 | 1,015.26 | 691.68 |
| d) Other Current Assets | 11 | 7,116.20 | 6,959.22 |
| Total Current Assets | | 15,488.29 | 14,685.56 |
| Total Assets | | 19,248.82 | 20,853.96 |
| II. EQUITY AND LIABILITIES | | | |
| Equity | | | |
| a) Equity Share Capital | 12 | 1,580.01 | 1,333.07 |
| b) Warrant | 12.2 | 992.55 | - |
| c) Other Equity | 13 | 6,784.89 | 4,796.18 |
| Total Equity | | 9,357.45 | 6,129.25 |
| Liabilities | | | |
| 1) Non Current Liabilities | | | |
| a) Financial Liabilities | | | |
| i) Borrowings | 14 | 122.67 | 301.77 |
| b) Provisions | 15 | 75.04 | 114.31 |
| c) Deferred Tax Liabilities (Net) | 16 | 45.49 | 37.08 |
| d) Other Non Current Liabilities | | | |
| Total Non Current Liabilities | | 243.20 | 453.16 |
| 2) Current Liabilities | | | |
| a) Financial Liabilities | | | |
| i) Trade Payables | | | |
| Due to Micro and Small Enterprises | 17 | 534.41 | - |
| Due to Other than Micro and Small Enterprises | | 3,439.36 | 3,796.38 |
| ii) Short Term Borrowing | 14 | 4,213.28 | 8,645.34 |
| iii) Other Financial Liabilities | | | |
| b) Provisions | | | |
| c) Other Current Liabilities | 18 | 1,461.12 | 1,829.83 |
| d) Current Tax Liabilities (Net) | | | |
| Total Current Liabilities | | 9,648.17 | 14,271.55 |
| Total Equity and Liabilities | | 19,248.82 | 20,853.96 |
| Corporate Information and significant Accounting policies see accompanying notes forming part of the financial statements | 1&2 | | |

As per our report of even date

For **MEHTA KOTHARI & ASSOCIATES**

Registration No. 106247

Chartered Accountants

For and on behalf of the Board of Directors of TARMAT LTD

Sd/-

PRADIP C. MEHTA

(PARTNER)

Membership No. 035447

UDIN : 22035447AJYASE4691

Sd/-

AMIT SHAH

Executive Director

Din No. 08467309

Sd/-

REGINA M SINHA

Independent Director

Din No. 08488285

Sd/-

S. CHAKRABORTY

Company Secretary / CFO

Place: Mumbai

Dated: 30/05/2022

**AUDITED STANDALONE PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED
31ST MARCH 2022**

₹ in lacs

| Particulars | Note No. | As at 31st, March 2022 | As at 31st March 2021 |
|--|----------|---------------------------|--------------------------|
| Income | | | |
| I Revenue from operations (Gross) | 19 | 16,193.61 | 17,066.42 |
| II Other Income | 20 | 112.77 | 125.95 |
| III Total Revenue (I+II) | | 16,306.38 | 17,192.37 |
| IV Expenses: | | | |
| Cost of Material Consumed | 21 | 5,723.64 | 3,704.94 |
| Construction Expenses | 22 | 8,330.15 | 11,521.77 |
| Employees benefits Expenses | 23 | 855.92 | 584.11 |
| Finance Costs | 24 | 199.15 | 306.24 |
| Depreciation and amortisation expenses | 25 | 106.05 | 131.68 |
| other expenses | 26 | 604.32 | 542.07 |
| Other Provision - Provisions for diminution in value of non-current investments | | 21.06 | - |
| Total Expenses (IV) | | 15,840.29 | 16,790.81 |
| V Profit (Loss) before exceptional items and tax (III-IV) | | 466.09 | 401.56 |
| VI Exceptional items | | - | - |
| VII Profit (Loss) before tax (V - VI) | | 466.09 | 401.56 |
| VIII Extraordinary item | | - | - |
| IX Profit before tax (VII-VIII) | | 466.09 | 401.56 |
| X Tax expenses | | | |
| 1) Current Tax | | - | - |
| 2) Adjustment of tax relating to earlier periods | | - | -160.73 |
| 3) Deferred tax | | 8.41 | 52.82 |
| XI Profit (Loss) for the year (VII-VIII) | | 457.68 | 509.47 |
| XII Other comprehensive income / (loss) | | | |
| a) Items that will not be reclassified to profit or Loss | | - | - |
| Remeasurements of the defined benefit plans | | | |
| deferred tax on above items | | | |
| b) items that will be reclassified to profit or loss | | - | - |
| XIII Total Comprehensive Income for the period (IX+X) (Comprising profit/(Loss) and other comprehensive income for the Period) | | <u>457.68</u> | <u>509.47</u> |
| XIV Earnings per equity share (in Rs.) | | | |
| 1) Basic | | 2.90 | 3.82 |
| 2) Diluted | | 2.15 | 3.82 |
| Corporate Information and significant Accounting policies | 1&2 | | |
| see accompanying notes forming part of the financial statements | | | |

As per our report of even date

For **MEHTA KOTHARI & ASSOCIATES**

Registration No. 106247

Chartered Accountants

For and on behalf of the Board of Directors of **TARMAT LTD**

Sd/-

PRADIP C. MEHTA

(PARTNER)

Membership No. 035447

UDIN : 22035447AJYASE4691

Sd/-

AMIT SHAH

Executive Director

Din No. 08467309

Sd/-

REGINA M SINHA

Independent Director

Din No. 08488285

Sd/-

S. CHAKRABORTY

Company Secretary / CFO

Place: Mumbai

Dated: 30/05/2022

Cash Flow Statement for the year ended 31st March 2022

₹ in lacs

| Particulars | As at 31st, March 2022 | As at 31st March 2021 |
|---|---------------------------|--------------------------|
| Cash flow from Operating Activities | | |
| Profit before tax | 466.09 | 401.56 |
| Adjustments for: | | |
| Depreciation and amortisation | 106.05 | 131.68 |
| Provision for Gratuity | 3.23 | 8.50 |
| Investment in JV Written off | 1,758.85 | -7.52 |
| Interest Expense on FV | | |
| Finance cost | 199.15 | 306.24 |
| Interest Income | -21.07 | -64.81 |
| Operating profit before working capital changes | 2,512.29 | 775.65 |
| Changes in working capital: | | |
| (Increase)/Decrease in Trade and other Receivables and prepayments | -289.12 | 651.92 |
| (Increase)/Decrease in Inventories | -1,056.51 | 646.72 |
| Increase/(Decrease) in Trade and other Payables | -175.59 | -519.23 |
| Fixed Deposits | 944.75 | 1,372.89 |
| Loans/Advances to Subsidiaries/Associates and others | 94.18 | -447.48 |
| Cash generated/ (used) from Operations | 2,029.99 | 2,480.46 |
| | - | 160.73 |
| Net Cash flows from / (used in) Operating Activities- (A) | 2,029.99 | 2,641.19 |
| B) Cash flow from Investing Activities | | |
| Payments for property, plant and equipment and Capital Work-in-Progress | -26.49 | -258.34 |
| Interest received | 21.07 | 64.81 |
| Investments in Subsidiaries, Associates and Others | 2,770.52 | - |
| Net Cash flows from / (used in) Investing Activities- (B) | 2,765.10 | -193.53 |
| C) Cash flow from financial Activities | | |
| Increase/ (decrease) in short term borrowings | -4,670.28 | -2,081.16 |
| Finance cost paid | -199.15 | -306.24 |
| Net Cash flows from / (used in) financial Activities- (C) | -4,869.43 | -2,387.40 |
| Net Increase/ (decrease) in cash and cash equivalents - (A+B+C) | -74.34 | 60.26 |
| Cash & Cash equivalents at the beginning of the year | 443.31 | 383.05 |
| Cash & Cash equivalents at the end of the year (Refer Note -1) | 368.97 | 443.31 |

Note:

1 Cash & Cash Equivalents

Cash on hand

368.97

443.31

Bank balance including deposits and cheque on hold - Current Account

Total cash & Cash Equivalents**368.97****443.31**

1 The Cash flow statement is prepared in accordance with the Indian Method stated in Ind-AS7 on cash flow statement and presents the cash operating, investing and financial

2 Previous year's figures have been regrouped, wherever necessary

3 Figures in brackets represent cash outflows.

see accompanying notes forming part of the financial statements

As per our report of even date

For **MEHTA KOTHARI & ASSOCIATES**

Registration No. 106247

Chartered Accountants

For and on behalf of the Board of Directors of TARMAT LTD

Sd/-

PRADIP C. MEHTA

(PARTNER)

Membership No. 035447

UDIN : 22035447AJYASE4691

Sd/-

AMIT SHAH

Executive Director

Din No. 08467309

Sd/-

REGINA M SINHA

Independent Director

Din No. 08488285

Sd/-

S. CHAKRABORTY

Company Secretary / CFO

Place: Mumbai

Dated: 30/05/2022

STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2022

A - Equity Share Capital Particulars

| | Number of Shares | (₹ In Lacs) Amount |
|---|------------------|--------------------|
| Balance as at April 1, 2020 | 13330700 | 1333.07 |
| Add: Equity shares allotted during the year | | |
| Balance as at March 31, 2021 | 13330700 | 1333.07 |
| Add: Equity shares allotted during the year | 2469403 | 246.94 |
| Add: Bonus Shares issued during the year | | |
| Balance as at March 31, 2022 | 15800103 | 1580.01 |

B - Other Equity

| Particulars | Reserves and Surplus | | | | | | Total |
|---|----------------------------|-----------------|---------------------|---|---|---------------------------------------|----------------|
| | Securities Premium Reserve | General Reserve | Revaluation Reserve | Surplus in the statement of profit and loss | Other items of Other Comprehensive Income | Money received against share warrants | |
| Balance as at April 1, 2020 | 6917.89 | 520.48 | 8.50 | -3160.16 | | | 4286.71 |
| Profit for the year | | | | 509.47 | | 0.00 | 509.47 |
| Other Comprehensive Income/(loss) for the year (Net of Taxes) | | | | | 0.00 | | 0.00 |
| Payment of Dividend | | | | | 0.00 | | 0.00 |
| Payment of Dividend Distribution tax | | | | | | | 0.00 |
| Balance as at March 31, 2021 | 6917.89 | 520.48 | 8.50 | -2650.69 | 0.00 | 0.00 | 4796.18 |
| Balance as at April 1, 2021 | 6917.89 | 520.48 | 8.50 | -2650.69 | 0.00 | 0.00 | 4796.18 |
| Profit for the year | | | | 457.68 | | | 457.68 |
| Addition during the year | 1531.03 | | | | | 992.55 | 2523.58 |
| Other Comprehensive Income/(loss) for the year (Net of Taxes) | | | | | | | 0.00 |
| Payment of Dividend | | | | | | | 0.00 |
| Payment of Dividend Distribution tax | | | | | | | 0.00 |
| Balance as at March 31, 2022 | 8448.92 | 520.48 | 8.50 | -2193.01 | 0.00 | 992.55 | 7777.44 |

see accompanying notes forming part of the financial statements

As per our report of even date

For **MEHTA KOTHARI & ASSOCIATES**

Registration No. 106247

Chartered Accountants

For and on behalf of the Board of Directors of TARMAT LTD

Sd/-

PRADIP C. MEHTA
(PARTNER)

Membership No. 035447
UDIN : 22035447AJYASE4691

Sd/-

AMIT SHAH
Executive Director
Din No. 08467309

Sd/-

REGINA M SINHA
Independent Director
Din No. 08488285

Sd/-

S. CHAKRABORTY
Company Secretary / CFO

Place: Mumbai

Dated: 30/05/2022

1. Corporate Information:

Tarmat Limited was established in year 1986 Mr. Jerry Varghese. The company is specialized in Construction of Airfield and National / state highways all over India. The Company is currently executing various Runway, Parking Bays, Taxi Track related work at Mumbai, Cochin, Trichy and Tuticorn Airport, and it is also executing National Highway work at Mizoram and Jammu.

Tarmat have completed the prestigious works of Resurfacing of Runways at Mumbai International Airport Limited and Delhi International Airport.

The Company had its IPO in 2007 and got listed in BSE and NSE. The present paid up capital of the company is Rs. 158001030, of which 39.90% is held by the promoters.

2. SIGNIFICANT ACCOUNTING POLICIES

a. System of Accounting

The Company follows mercantile system of accounting and recognizes income and expenditure on an accrual basis except in case of significant uncertainties. These financial statements are prepared under the historical cost convention unless otherwise indicated.

b. Statement of compliance

The Company's financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and amendments thereof issued by Ministry of Corporate Affairs in exercise of the powers conferred by section 133 of the Companies Act, 2013. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations require a different treatment. These financial statements have been approved for issue by the Board of Directors at their meeting held on May 30, 2022.

c. Presentation of financial statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

All asset and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. The Company considers 12 month as normal operating cycle.

The Company's financial statements are reported in Indian Rupees, which is also the company's functional currency and all values are rounded to the nearest lakh except otherwise indicated.

d. Key accounting estimates

The preparation of the financial statements, in conformity with the recognition and measurement principles of Ind AS, requires the management to make estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income, expenses and disclosure of contingent liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognized in the period in which they are determined.

The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes 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.

e. Property, Plant and Equipment

- (i) Property, plant and equipment are stated at historical cost of acquisition including attributable interest and finance cost, if any, till the date of acquisition/installation of the assets less accumulated depreciation and accumulated impairment losses, if any.
- (ii) Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the statement of profit and loss as incurred.
- (iii) The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognized in the statement of profit and loss.
- (iv) Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.
- (v) The Company depreciates property, plant and equipment on written down value method except for building, plant and machinery, laboratory equipment and excavators where depreciation is provided on straight line method over the estimated useful life prescribed in Schedule II of the Companies Act, 2013 from the date of the assets are ready for intended use after considering the residual value.
- (vi) Intangible assets mainly represent implementation cost for software and other application software acquired/ developed for in-house use. These assets are stated at cost. Cost includes related acquisition expenses, related borrowing costs, if any, and other direct expenditure.
- (vii) Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Otherwise, such items are classified as inventories.

Use of Estimate -

The preparation of financial statements requires estimates and assumptions to be made that affects the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

Revenue Recognition -

- (i) Income from construction contracts is recognized on the basis of work certified in accordance with percentage completion method. All other income and expenditure are recognized and accounted for on an accrual basis. Losses on contracts are fully accounted for as and when incurred.
- (ii) Hire Charges is accounted for as per terms of the lease agreement.
- (iii) Dividend Income is accounted for when the right to receive is established.
- (iv) Interest income on deposits is recognized on accrual basis. . In absence of receipt of interest certificate from the banks, interest on FDs have been accounted based on income reported in the Company's TDS report as available on the Income tax Web portal under Company's PAN.

Fixed Assets -

Fixed Assets are stated at cost net of tax/duty credits availed, wherever applicable less accumulated depreciation/ impairment losses, if any. The cost of an asset comprises of purchase price and any directly attributable cost of bringing the assets to its present condition for intended use and incremental amount of revaluation.

Depreciation -

Depreciation is charged as per written down value method at the rate and in the manner specified in Schedule II to the Companies Act, 2013. Depreciation on fixed assets sold or scrapped during the year is provided upto the date on which such fixed asset is sold or scrapped. Depreciation on addition to fixed assets is calculated on pro rata basis from the day of addition.

Inventories -

The stock of stores, spares and embedded goods and fuel is valued at cost (weighted average basis), or net realizable value whichever is lower.

Work in Progress is valued at the contract rates and site mobilization expenditure of incomplete contracts is stated at cost. All the inventories of stores, spares and embedded goods and fuel and work in progress have been physically verified by the Management at the year end.

Investment -

Investments which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as Long Term Investments. Current Investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long Term Investments are measured at Cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investment.

Borrowing Costs -

Borrowing cost which are directly attributable to the acquisition/construction of Qualifying Assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing cost is charged to revenue.

Current Tax and Deferred Tax -

- i. Provision for current tax is made after taking into consideration benefits admissible under the provision of the Income Tax Act, 1961.
- ii. Current Tax is calculated in accordance with the tax laws applicable to the current financial year.

For Financial Year 2021-22 the company has exercised option to pay income tax under the provisions of Section 115BAA of the Income tax Act, 1961 and as such provisions for payment of Minimum Alternate tax (MAT) is not applicable to the company.

The company proposes to pay Tax under the Provisions of Section 115BAA of Income Tax Act 1961.

- iii. Deferred tax expense of benefit is recognized on timing difference being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.
- iv. Advance tax and provision for current income, if any, are presented in the balance sheet after setting off advance tax paid and income tax provision arising in the same tax jurisdiction.

Indirect Taxation

- i. Indirect tax liability under GST ACT is accounted based on sale/purchase invoices and input tax credit(ITC) is accounted based on ITC report available on the GSTIN portal. The same is subject to reconciliation and filing of annual return in from GSTR 9 under the GST ACT.

Foreign Exchange Transaction -

- (i) Transaction denominated in foreign currencies is normally recorded at the exchange rate prevailing at the time of the transaction.
- (ii) Monetary items denominated in foreign currency as at the balance sheet date are translated at the year-end exchange rate.
- (iii) Premium on forward cover contracts in respect of import of raw material is charged to profit & loss account over the period of contracts except in respect of liability for acquiring fixed assets, in which case the difference are adjusted in carrying cost of the same.

Employee Retirement Benefits -

The company provides for gratuity in accordance with the rules of the company based on an actuarial valuation carried out at the balance sheet date, by an independent actuary. Contribution payable to Employees benefits is charged to Profit & Loss Account as and when incurred. Leave wages is not applicable to this company. The Company has provided for gratuity during the current year as per the actuarial valuation of liability.

Impairment of Assets -

The company assesses at each balance sheet date whether there is any indication that an assets may be impaired. If any such indication exists, the company estimates the recoverable amount of the assets. If such recoverable

amount of the assets or the recoverable amount of the cash generating unit to which the asset belong is less than its carrying amount, the carrying amount is reduced to its recoverable amount. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

Earning per share -

Basic EPS is computed using the weighted average number of equity shares outstanding during the year.

Provision, Contingent Liabilities and contingent assets -

Provision involving substantial degree of estimation in measurement is recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

Note 3 PROPERTY, PLANT AND EQUIPMENTS

| Particular | As at March 31, 2022 (₹ In Lacs) | As at March 31, 2021 (₹ In Lacs) |
|------------------------|--|--|
| Tangible Assets | | |
| Land -Free Hold | 435.25 | 435.25 |
| Buildings | 187.39 | 191.19 |
| Plant and Equipment | 926.17 | 1,003.96 |
| Furniture & Fixtures | 7.68 | 1.84 |
| Vehicles | 64.61 | 73.07 |
| Office Equipment | 8.33 | 3.66 |
| Others | - | - |
| | 1,629.41 | 1,708.97 |

| Particulars | Land - Free Hold | Buildings | Plant and Equipment | Furniture & Fixture | Vehicles | Office Equipment | Others (Specify) | Total |
|-------------------------------------|---------------------|---------------|------------------------|------------------------|---------------|---------------------|---------------------|-----------------|
| Cost or Deemed Cost | | | | | | | | |
| as at April 01 2021 | 435.25 | 346.06 | 5,787.73 | 45.05 | 350.93 | 90.19 | - | 7,055.20 |
| Additions | - | - | 4.90 | 7.06 | 8.29 | 6.25 | - | 26.49 |
| Disposals/Adjustments | - | - | - | - | - | - | - | - |
| As at March 31 2022 | 435.25 | 346.06 | 5,792.63 | 52.11 | 359.22 | 96.44 | - | 7,081.69 |
| Accumulated Depreciation | | | | | | | | |
| as at April 01 2021 | - | 154.87 | 4,783.76 | 43.21 | 277.86 | 86.53 | - | 5,346.23 |
| Charges for the Period | - | 3.80 | 82.70 | 1.22 | 16.75 | 1.58 | - | 106.05 |
| Disposals/Adjustments | - | - | - | - | - | - | - | - |
| As at March 31 2022 | - | 158.67 | 4,866.46 | 44.43 | 294.61 | 88.11 | - | 5,452.28 |
| Net Carrying Amount | | | | | | | | |
| As at March 31 2022 | 435.25 | 187.39 | 926.17 | 7.68 | 64.61 | 8.33 | - | 1,629.41 |
| As at March 31 2021 | 435.25 | 191.19 | 1,003.96 | 1.84 | 73.07 | 3.66 | - | 1,708.97 |

| Particulars | Land - Free Hold | Buildings | Plant and Equipment | Furniture & Fixture | Vehicles | Office Equipment | Others (Specify) | Total |
|-------------------------------------|---------------------|---------------|------------------------|------------------------|---------------|---------------------|---------------------|-----------------|
| Cost or Deemed Cost | | | | | | | | |
| as at April 01 2020 | 435.25 | 340.02 | 5,564.31 | 45.05 | 323.71 | 88.53 | - | 6,796.87 |
| Additions | - | 6.04 | 223.42 | - | 27.22 | 1.66 | - | 258.34 |
| Disposals/Adjustments | - | - | - | - | - | - | - | - |
| As at March 31 2021 | 435.25 | 346.06 | 5,787.73 | 45.05 | 350.93 | 90.19 | - | 7,055.21 |
| Accumulated Depreciation | | | | | | | | |
| as at April 01 2020 | - | 151.14 | 4,669.83 | 42.60 | 265.06 | 85.92 | - | 5,214.55 |
| Charges for the Period | - | 3.73 | 113.94 | 0.61 | 12.80 | 0.61 | - | 131.69 |
| Disposals/Adjustments | - | - | - | - | - | - | - | - |
| As at March 31 2021 | - | 154.87 | 4,783.77 | 43.21 | 277.86 | 86.53 | - | 5,346.24 |
| Net Carrying Amount | | | | | | | | |
| As at March 31 2021 | 435.25 | 191.19 | 1,003.96 | 1.84 | 73.07 | 3.66 | - | 1,708.97 |
| As at March 31 2020 | 435.25 | 188.88 | 894.48 | 2.45 | 58.64 | 2.60 | - | 1,582.30 |

3.1 OTHER INTANGIBLE ASSETS

| Particular | As at March 31, 2022 (₹ In Lacs) | As at March 31, 2021 (₹ In Lacs) |
|------------|--|--|
| Goodwill | 14.63 | 14.63 |
| | 14.63 | 14.63 |

As at March 31, 2022

| Particulars | Goodwill (₹ In Lacs) | Total (₹ In Lacs) |
|---------------------------------|-------------------------|----------------------|
| Cost or Deemed Cost | | |
| as at April 01 2021 | 14.63 | 14.63 |
| Additions | - | - |
| Disposals/Adjustments | - | - |
| As at March 31 2022 | 14.63 | 14.63 |
| Accumulated Depreciation | | |
| as at April 01 2021 | - | - |
| Charges for the Period | - | - |
| Disposals/Adjustments | - | - |
| As at March 31 2022 | - | - |
| Net Carrying Amount | | |
| As at March 31 2022 | 14.63 | 14.63 |
| As at March 31 2021 | 14.63 | 14.63 |

As at March 31, 2021

| Particulars | Goodwill (₹ In Lacs) | Total (₹ In Lacs) |
|---------------------------------|-------------------------|----------------------|
| Cost or Deemed Cost | | |
| as at April 01 2020 | 14.63 | 14.63 |
| Additions | - | - |
| Disposals/Adjustments | - | - |
| As at March 31 2021 | 14.63 | 14.63 |
| Accumulated Depreciation | | |
| as at April 01 20220 | - | - |
| Charges for the Period | - | - |
| Disposals/Adjustments | - | - |
| As at March 31 2021 | - | - |
| Net Carrying Amount | | |
| As at March 31 2021 | 14.63 | 14.63 |
| As at March 31 2020 | 14.63 | 14.63 |

| Particular | As at March 31, 2022 (₹ In Lacs) | As at March 31, 2021 (₹ In Lacs) |
|------------|--|--|
|------------|--|--|

Note 4 INVESTMENTS

Non Current

Trade - Unquoted

a) Equity instruments of Others (at Cost)

| | | |
|--|--------|--------|
| Concast Jawasa Road Project Pvt Ltd 1042600 Nos Equity Shares of Rs.10 each | 104.26 | 104.26 |
| Concast Ambha Road Project Pvt Ltd 6476600 Nos Equity Shares of Rs.10 each | - | 647.66 |

| Particular | As at March 31, 2022 (₹ In Lacs) | As at March 31, 2021 (₹ In Lacs) |
|---|--|--|
| Concast Damoh Road Project Pvt Ltd 5623800 Nos Equity Shares of Rs.10 each | - | 562.38 |
| Concast Dhaneta Road Project Pvt Ltd 5870098 Nos Equity Shares of Rs.10 each | - | 587.01 |
| Concast Patan Road Project Pvt Ltd 210600 Nos Equity Shares of Rs.10 each | - | 21.06 |
| Concast Badnagar Road Project Pvt Ltd 2600 Nos Equity Shares of Rs.10 each | 0.26 | 0.26 |
| Concast Jabalpur Road Project Pvt Ltd 2600 Nos Equity Shares of Rs.10 each | 0.26 | 0.26 |
| Investment in Joint Venture | 838.59 | 779.33 |
| Total Unquoted Investment | 943.37 | 2,702.22 |

Details

| Aggregate of Investments | 31st March 2022 | | 31st March 2021 | |
|--------------------------|---------------------|-----------------------------|---------------------|-----------------------------|
| | Cost (₹ In Lacs) | Market Value (₹ In Lacs) | Cost (₹ In Lacs) | Market Value (₹ In Lacs) |
| a) Quoted Investment | - | - | - | - |
| b) Unquoted Investment | 943.37 | - | 2,702.22 | - |
| Total | 943.37 | - | 2,702.22 | - |

| Particular | As at March 31, 2022 (₹ In Lacs) | As at March 31, 2021 (₹ In Lacs) |
|------------------------------------|--|--|
| Note 5 LOANS | | |
| Non Current | | |
| Unsecured, Considered Good: | | |
| Retention deposit & with held | 846.19 | 1,450.07 |
| Advance to Employees | 134.15 | 105.00 |
| Total | 980.34 | 1,555.07 |

Note 6 OTHER FINANCIAL ASSETS

| Particular | Outstanding for following periods from due date of payment | | | | | As at March 31, 2022 | As at March 31, 2021 |
|--|--|----------------------|-----------|-----------|----------------------|----------------------------|----------------------------|
| | Less than 6 months | 6 month to 1 Year | 1-2 years | 2-3 years | More than 3 years | | |
| Current | | | | | | | |
| Unsecured, Considered Good: | | | | | | | |
| Trade Receivable Considered Good | | | | 5.27 | 187.51 | 192.78 | 187.51 |
| Total Non Current | | | | | | 192.78 | 187.51 |

Note 7 INVENTORIES

| Particular | As at March 31, 2022 (₹ In Lacs) | As at March 31, 2021 (₹ In Lacs) |
|------------------|--|--|
| Raw Materials | 1,018.56 | 1,050.81 |
| Goods in Transit | | |
| | 1,018.56 | 1,050.81 |
| Work in Progress | 4,313.88 | 3,225.13 |
| | 4,313.88 | 3,225.13 |
| Total | 5,332.45 | 4,275.94 |

Note 8 TRADE RECEIVABLE

(₹ In Lacs)

| Particular | Outstanding for following periods from due date of payment | | | | | As at | As at |
|------------------------------------|--|-------------------|-----------|-----------|-------------------|-----------------|-----------------|
| | Less than 6 months | 6 month to 1 Year | 1-2 years | 2-3 years | More than 3 years | March 31, 2022 | March 31, 2021 |
| Current | | | | | | | |
| Unsecured, Considered Good: | | | | | | | |
| Trade Receivable Considered Good | 1,061.21 | 21.44 | 92.57 | 17.95 | 385.61 | 1,578.78 | 1,294.04 |
| Total Current | | | | | | 1,578.78 | 1,294.04 |

| Particular | As at March 31, 2022 (₹ In Lacs) | As at March 31, 2021 (₹ In Lacs) |
|------------|--|--|
|------------|--|--|

Note 9 : CASH AND CASH EQUIVALENTS**Balances with Banks**

| | | |
|---|---------------|-----------------|
| In Current Accounts | 320.87 | 414.43 |
| In Deposit account | 74.85 | 1,019.60 |
| Cheques on Hold | | |
| Share Application money received for allotment of securities and due for refund | 1.77 | 1.77 |
| Cash on Hand | 48.10 | 28.88 |
| Total | 445.60 | 1,464.68 |

Note 10 : TAX ASSETS (NET)

Non Current

| | | |
|-------------------------------------|---------------|---------------|
| Advance Tax | 711.20 | 691.68 |
| Total Non Current Tax Assets | 711.20 | 691.68 |

Current

| | | |
|---------------------------------|-----------------|---------------|
| Advance tax | 304.06 | - |
| Less: Provision for Income Tax | | |
| Total Current Tax Assets | 304.06 | - |
| Total | 1,015.26 | 691.68 |

Note 11 : OTHER CURRENT ASSETS

Un-Secured Considered good

| | | |
|-----------------------------------|-----------------|-----------------|
| Advance to Sub contractor | 2,185.93 | 2,418.10 |
| Advance to Suppliers | 1,790.71 | 958.03 |
| Staff Imprest & Salary Advance | 12.12 | 44.42 |
| Security Deposit & Other Deposits | 3,127.45 | 3,538.67 |
| Total | 7,116.20 | 6,959.22 |

Note 12 : EQUITIES SHARE CAPITAL

(₹ In Lacs)

| | As at March 31, 2022 | | As at March 31, 2021 | |
|--|----------------------|-----------------|----------------------|-----------------|
| | No of Shares | | No of Shares | |
| Authorised Share Capital | | | | |
| (Previous year 1,60,00,000 equity Shares of 10/- each) | 22000000 | 2,200.00 | 16000000 | 1,600.00 |
| Issued, subscribed & Fully paid share capital | | | | |
| Equity Shares of 10/- each | | 1,580.01 | | 1,333.07 |
| | | 1,580.01 | | 1,333.07 |

Note 12.1 : Reconciliation of the number of shares outstanding at the beginning and at the end of the year is set out below

(₹ In Lacs)

| | As at March 31, 2022 | | As at March 31, 2021 | |
|---|----------------------|-----------------|----------------------|-----------------|
| | No of Shares | | No of Shares | |
| Number of Equity shares at the beginning of the year | 13330700 | 1,333.07 | 13330700 | 1,333.07 |
| Add: Number of shares issued | 2469403 | 246.94 | 0 | - |
| Less: Number of shares Bought back | | | | |
| Number of Equity shares at the end of the year | | <u>1,580.01</u> | | <u>1,333.07</u> |

Note 12.2 : Warrants issue during the year

| | Nos of Warrants | As at March 31, 2022 | As at March 31, 2021 |
|---|-----------------|----------------------|----------------------|
| Number of Convertible Warrants issued 79,83,548 @ Rs 72 | | | - |
| Number of Warrants converted into Equity Shares 24,69,403 of Rs 10/- Each @ 72 | | | - |
| Amount Received against Convertible Warrants Rs 18/- Received of 72/- | 55,14,145 | 992.55 | |

Note 12.3 : the Details of Shareholder holding more than 5% shares as at March 31, 2022 and March 31, 2021 is set out below

(₹ In Lacs)

| | As at March 31, 2022 | | As at March 31, 2021 | |
|-----------------------------|----------------------|--------|----------------------|--------|
| | Nos of Shares | % | No of Shares | % |
| Mr Jerry Varghese | 2035820 | 12.88% | 2035820 | 15.27% |
| Mrs Saramma Varghese | 1051161 | 6.65% | 1051161 | 7.88% |
| Mrs Sunita Babulal Surana | - | - | 855061 | 6.41% |
| Mrs Sunita Sanjay Surana | - | - | 855061 | 6.41% |
| M/s Tarmat Holdings Pvt Ltd | 1361328 | 8.62% | 1361328 | 10.21% |

| Particular | As at | As at |
|------------|-------------------------------|-------------------------------|
| | March 31, 2022 (₹ In Lacs) | March 31, 2021 (₹ In Lacs) |

Note 13 : OTHER EQUITY

a) Securities Premium Reserve

| | | |
|-----------------------------------|-----------------|-----------------|
| Balance as per Last Balance Sheet | 6,917.89 | 6,917.89 |
| Addition during the year | 1,531.03 | - |
| Closing Balance (A) | <u>8,448.92</u> | <u>6,917.89</u> |

b) General Reserve

| | | |
|-----------------------------------|---------------|---------------|
| Balance as per Last Balance Sheet | 520.48 | 520.48 |
| Transfer during the year | - | - |
| Closing Balance (B) | <u>520.48</u> | <u>520.48</u> |

c) Revaluation Reserve

| | | |
|-----------------------------------|-------------|-------------|
| Balance as per Last Balance Sheet | 8.50 | 8.50 |
| Transfer during the year | - | - |
| Closing Balance (C) | <u>8.50</u> | <u>8.50</u> |

| Particular | As at March 31, 2022 (₹ In Lacs) | As at March 31, 2021 (₹ In Lacs) |
|---|--|--|
| d) Surplus in the statement of profit and loss | | |
| Balance at the Beginning of the period | -2,650.69 | -3,160.16 |
| Add: Profit(Loss) for the period | 457.68 | 509.47 |
| Less: Dividend Paid/Payable | | |
| Closing Balance (D) | -2,193.01 | -2,650.69 |
| Total (a+b+c+d) | 6,784.89 | 4,796.18 |

Note 14 : BORROWINGS**Non Current****Secured Loans****Term Loans****From Bank**

Equipment and vehicle loans

122.67

291.88

From NBFC

Equipment and vehicle loans

-

9.88

Total**122.67****301.77****Total Non Current Borrowings****122.67****301.77****Current****Secured Loans****From Bank**

Equipment and vehicle loans

197.28

173.96

From NBFC

Equipment and vehicle loans

10.24

13.71

Total Secured Loan**207.52****187.67****Unsecured Loans**

From Related parties

3,577.86

4,586.99

From Others

427.90

3,870.68

Total Unsecured Loans**4,005.76****8,457.67****Total Current Borrowings****4,213.28****8,645.34****Total Borrowing****4,335.95****8,947.11****Note 14.1 : Details of Secured loans with rate of interest & Maturity dates****(₹ In Lacs)**

| Particular | Effective Interest rate (p.a) | Maturity | As at March 31, 2022 | As at March 31, 2021 |
|--|-------------------------------------|-----------|----------------------------|----------------------------|
| Non Current Borrowings | | | | |
| From Bank | | | | |
| ICICI Bank | 11.51 | 01-Jul-23 | 23.17 | 86.09 |
| ICICI Bank | 11.5 | 01-Aug-23 | 35.27 | 57.92 |
| ICICI Bank | 9.25 | 22-Jun-24 | 35.27 | 57.92 |
| ICICI Bank | 9.25 | 22-Jun-24 | 28.96 | 89.95 |
| Total | | | 122.67 | 291.88 |
| Current Maturities | | | 197.28 | 173.96 |
| ICICI Bank | 8.01 | 07-Mar-22 | - | 18.00 |
| From NBFC | | | | |
| Mahindra & Mahindra Financial Services Ltd | | 15-Nov-22 | - | 9.88 |
| Current Maturities | | | 10.24 | 13.71 |
| Total | | | 10.24 | 23.59 |
| Total Secured Loan | | | 132.91 | 315.47 |

| Particular | As at March 31, 2022 ₹ In Lacs | As at March 31, 2021 ₹ In Lacs |
|-------------------------------------|--------------------------------------|--------------------------------------|
| Note 15. PROVISIONS | | |
| Non Current | | |
| Provision for Employee Benefits | | |
| Gratuity | 75.04 | 114.31 |
| Total Non Current Provisions | 75.04 | 114.31 |
| Current | | |
| Provision for Expenses | - | - |
| Total Current Provisions | - | - |
| Total | 75.04 | 114.31 |

| | | |
|--|--------------|--------------|
| Note 16. DEFERRED TAX LIABILITIES (NET) | | |
| Deferred tax liability | | |
| Related to Property, plant and equipment | 45.49 | 37.08 |
| Deferred tax liability | 45.49 | 37.08 |
| Total | 45.49 | 37.08 |

Note 17. TRADE PAYABLE (₹ In Lacs)

| Particular | Outstanding for following periods from due date of payment | | | | | As at March 31, 2022 | As at March 31, 2021 |
|---------------------------|--|----------------------|---------------|--------------|----------------------|----------------------------|----------------------------|
| | Less than 6 months | 6 month to 1 Year | 1-2 years | 2-3 years | More than 3 years | | |
| Trade Payable | | | | | | | |
| Due to MSME | - | 532.67 | 1.74 | - | - | 534.41 | - |
| Due to Other than MSME | - | 2,221.50 | 633.92 | 24.81 | 559.13 | 3,439.36 | 3,796.38 |
| Total | - | | | | | 3,973.77 | 3,796.38 |

| Particular | As at March 31, 2022 (₹ In Lacs) | As at March 31, 2021 (₹ In Lacs) |
|---|--|--|
| Note 18 : OTHER CURRENT LIABILITIES | | |
| Advance Received | 37.33 | - |
| Due to Statutory authorities | 151.28 | 200.69 |
| Others | | |
| Due to Employees | 51.37 | 56.18 |
| Application money received for allotment of securities and due for refund | 1.77 | 1.77 |
| Others | 1,219.38 | 1,571.19 |
| Total | 1,461.12 | 1,829.83 |

| | | |
|--|------------------|------------------|
| Note 19 : REVENUE FROM OPERATIONS | | |
| Income from contracts | 15,104.86 | 17,297.42 |
| Add: Work in Progress, at close | 4,313.88 | 3,225.13 |
| Total | 19,418.74 | 20,522.55 |
| Less: Work in Progress, at commencement | 3,225.13 | 3,456.13 |
| Total | 16,193.61 | 17,066.42 |

| Particular | As at March 31, 2022 (₹ In Lacs) | As at March 31, 2021 (₹ In Lacs) |
|---|--|--|
| Note 20 : OTHER INCOME | | |
| Hire, Rent and Royalty charge received | 7.20 | - |
| Total | 7.20 | - |
| Interest | | |
| Interest Income from bank | 21.07 | 64.81 |
| Interest income from others | 1.14 | - |
| Interest income from MSEDCL | - | 0.08 |
| Interest on IT Refund /Income Tax refund | - | 44.27 |
| Total Interest | 22.21 | 109.16 |
| Other non operating income | | |
| Misc Receipt | 5.72 | 5.65 |
| Liabilities no longer required written back | 18.38 | 7.01 |
| Share of profit from joint Venture | 7.05 | 4.13 |
| Share of profit from joint Venture (prior Period) | 52.21 | - |
| Total Other Income | 83.36 | 16.79 |
| Total | 112.77 | 125.95 |
| Note 21 : COST OF CONSTRUCTION MATERIAL CONSUMED | | |
| Construction Materials, Stores & Spares | | |
| Opening Stock | 1,050.81 | 1,466.54 |
| Add : Net Purchase | 5,691.39 | 3,289.21 |
| | 6,742.20 | 4,755.75 |
| Less: Closing Stock | 1,018.56 | 1,050.81 |
| Total Consumption | 5,723.64 | 3,704.94 |
| Note 22 : CONSTRUCTION EXPENSES | | |
| Subcontract Expenses | 6,742.04 | 10,541.73 |
| Power and Fuel | 21.10 | 23.54 |
| Royalty | | |
| Transport Charge | 231.76 | 81.52 |
| Hire Charge | 282.71 | 289.14 |
| Labour Charge | 501.84 | 134.58 |
| Repairs to Building & Others | | 16.30 |
| Repairs to Machinery | 517.65 | 400.00 |
| Other Construction Expenses | 33.05 | 34.96 |
| Total | 8,330.15 | 11,521.77 |
| Note 23 : EMPLOYEES BENEFITS EXPENSES | | |
| Salaries,Wages and other Benefits | 646.75 | 466.00 |
| Contribution to Provident and other funds | 2.84 | 3.02 |
| Staff Welfare Expenses | 203.10 | 106.59 |
| Gratuity fund contributions | 3.23 | 8.50 |
| Total | 855.92 | 584.11 |
| Note 24 : FINANCE COST | | |
| Interest Expenses on | | |
| Term Loans | 14.36 | 25.55 |
| Loan from directors | - | - |
| Loan from others | 184.79 | 280.69 |
| Total | 199.15 | 306.24 |

| Particular | As at March 31, 2022 (₹ In Lacs) | As at March 31, 2021 (₹ In Lacs) |
|---|--|--|
| Note 25 : DEPRECIATION AND AMORTISATION EXPENSES | | |
| Depreciation & Amortisation | 106.05 | 131.69 |
| Total | 106.05 | 131.69 |

| | | |
|---|---------------|---------------|
| Note 26 : OTHER EXPENSES | | |
| Travelling & Conveyance (includes Boarding & Lodging Expense) | 34.30 | 34.48 |
| Postage & Telegrams and Telephones | 6.24 | 8.24 |
| Business Promotion Expenses | 1.01 | 2.38 |
| Advertisement & Publicity | - | - |
| Legal, Professional & consultancy Charges | 215.31 | 328.09 |
| Insurance | 48.77 | 74.64 |
| Rates & Taxes excluding taxes of income | 10.61 | 0.37 |
| Auditor's Remuneration (Including out of pocket expenses) | 3.50 | 3.00 |
| Printing & Stationery | 5.23 | 2.86 |
| Tender Expenses | - | - |
| Office Maintenance | 3.85 | 8.47 |
| Rent Expenses | 174.62 | 38.92 |
| Electricity Charges | - | - |
| Interest, Penalty on statutory dues | 38.50 | 6.81 |
| Director Remuneration | 30.00 | 15.00 |
| Miscellaneous Expenses | 32.38 | 18.80 |
| Total | 604.32 | 542.06 |

Note 27 : Extraordinary item

There are no extraordinary item during the current year.

Note 28 : Contingent liabilities

| Particulars | 2021-2022 | 2020-2021 |
|----------------|-----------|-----------|
| Bank Guarantee | - | - |
| Property Tax | - | - |

Note 29 : Earning per share**1) Disclosures as required by Accounting Standard (AS) 20 Earnings per Share (EPS) –**

| Sr. No. | Particulars | 2021-2022 | 2020-2021 |
|---------|--|-----------|-----------|
| i) | Profit attributable to Equity Shareholders for Basic Earning per Share | 457.68 | 509.47 |
| ii) | Weighted average number of equity shares | 1580.01 | 133.60 |
| iii) | Face Value of equity share | 10/- | 10/- |
| iv) | Earnings per share (Basic) | 2.90 | 3.82 |
| v) | Earnings per share (Diluted) | 2.15 | 3.82 |

Note 30 : Related Party Transactions

Information on Related Party Disclosures as per Accounting Standard 18 (AS-18) on Related Party Disclosures is given below:

For the year ended 31st March 2022

a) List of related parties with whom the company entered into transactions -

| Sr. No. | Name of Related Party | Nature of Relationship |
|--|----------------------------|-------------------------|
| A) Key Management personnel and their relatives - | | |
| 1 | Mr. Amit shah | Executive Director |
| 2 | Mrs.Regina M. Sinha | Independent Director |
| 3 | Mr. Shivatosh Charkraborty | Company Secretary / CFO |
| 4 | Mr. Dilip Varghese | Promotor |
| 5 | Mr. Jerry Varghese | Promotor |
| 6 | Mrs Saramma Varghese | Promotor |

b. NATURE OF TRANSACTIONS

| Nature of Transaction | 2021-2022 | 2020-2021 | Nature of Relationship |
|-------------------------|-----------|-----------|--------------------------|
| Managerial Remuneration | 45.00 | 28.19 | Key Management personnel |
| Repayment of loan | 1009.12 | - | Promoter |

Note 31 Disclosure in accordance with Accounting Standard -7 (Revised) - Construction Contracts

(₹ in lacs)

| Particulars | 2021-2022 | 2020-2021 |
|--|-----------|-----------|
| Amount of Contract revenue recognized as revenue in the period | 16193.60 | 17,297.42 |
| Contract cost incurred and recognized profits (less recognized losses) upto the reporting date | 15590.08 | 16,921.67 |
| Recognised Profit | 603.52 | 375.75 |
| Advances received from customers for contract work | - | 43.66 |
| Retention money | 386.53 | 494.71 |
| Gross amount due from customer for contract work | 1232.27 | 1,360.12 |
| Gross amount due to customer for contract work | - | 43.66 |

Note 32 Segment information –**1) Segment information****a) Primary Segment**

The business segment has been considered as the primary segment. The company is engaged in only one reportable segments viz Construction.

b) Secondary Segment

The company operates in India and hence there are no geographical segments.

Note 33 : Disclosure relating to Employee Benefits – As per AS- 15

(₹ in lacs)

| A | Expenses recognized in the Statement of Profit & Loss Account for the year ended | 31.3.2022 | 31.3.2021 |
|---|--|-----------|-----------|
| 1 | Current Service Cost | 2.90 | 2.66 |
| 2 | Interest Cost | 4.64 | 3.86 |
| 3 | Actuarial (Gain)/Loss | 2.61 | 2.51 |
| 4 | Past Service Cost-Vested Benefit recognized during the Period | | - |
| 5 | Transitional Liability Recognized during the Period | | - |
| 6 | Expenses Recognized in P & L | 3.23 | 8.50 |

| B Net Asset/(Liability) recognized in the Balance Sheet | | | |
|--|--|----------------|-----------------|
| 1 | Fair Value of Plan Assets At the End of the Period | - | - |
| 2 | Present Value of Benefit Obligation at the end of the Period | 75.04 | 114.31 |
| 3 | Difference | (75.04) | (114.31) |
| 4 | Unrecognized Past Service Cost at the end of the Period | | - |
| 5 | Unrecognized Transitional Liability at the end of the Period | | - |
| | (Net Liability Recognized in the Balance sheet) | (75.04) | (114.31) |
| C Change in Present Value of Obligation | | | |
| 1 | Present Value of Benefit Obligation at the beginning of the current Period | 70.55 | 105.81 |
| 2 | Interest Cost | 4.64 | 3.86 |
| 3 | Current Service Cost | 2.90 | 2.66 |
| 4 | Past Service cost-Non Vested Benefit | | - |
| 5 | Past Service Cost-Vested Benefit | | - |
| 6 | Liability Transferred in | | - |
| 7 | (Liability Transferred Out) | | - |
| 8 | (Benefit Paid) | | - |
| 9 | Actuarial (Gain)/Loss on Obligations | 2.61 | 2.51 |
| 10 | Present value of benefit obligation at the end of the Current Period | 75.04 | 114.31 |
| D Actuarial Assumptions:- | | | |
| 1 | Discount Rate-Previous | 6.57% | 7.59% |
| 2 | Salary Escalation-Previous | 6.00% | 6.00% |
| 3 | Attrition Rate-Previous | 2.00% | 2.00% |
| 4 | Discount Rate-Current | 6.57% | 6.04% |
| 5 | Salary Escalation-Current | 6.00% | 6.00% |
| 6 | Attrition Rate-Current | 2.00% | 2.00% |

Note 34 Additional Comments

- 1) On assessment of the impairment of fixed assets of the company as at the Balance Sheet date as required by Accounting Standard 28 "Impairment of Assets" issued by the ICAI, the company is of the view that no provision for impairment of fixed assets is required.
- 2) In accordance with Accounting Standard 11 (revised), the net exchange gain credited to profit & Loss account is Nil/- (Previous year debit ` Nil)
- 3) In the opinion of the Board the current assets and advances if realized in the ordinary course of business have value on realization at least to the amount at which these are stated in the Balance Sheet. The provision for all known liabilities are adequate and not in excess of the amount reasonable necessary.

As per our report of even date

For **MEHTA KOTHARI & ASSOCIATES**

Registration No. 106247

Chartered Accountants

For and on behalf of the Board of Directors of TARMAT LTD

Sd/-

PRADIP C. MEHTA

(PARTNER)

Membership No. 035447

UDIN : 22035447AJYASE4691

Sd/-

AMIT SHAH

Executive Director

Din No. 08467309

Sd/-

REGINA M SINHA

Independent Director

Din No. 08488285

Sd/-

S. CHAKRABORTY

Company Secretary / CFO

Place: Mumbai

Dated: 30/05/2022

INDEPENDENT AUDITOR'S REPORT

To,
The Members of
TARMAT LIMITED

Report on the Consolidated IND AS Financial Statements

Qualified Opinion

We have audited the accompanying consolidated IND AS financial statements of TARMAT LIMITED ("the Company") which include the financial statements of its joint ventures (the Company and its joint ventures together referred to as the "the Group") which comprise the Consolidated Balance Sheet as at 31st March, 2022, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effect of matter described in the basis of qualified opinion paragraph below these financial results:

- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information for the quarter and year ended 31st March, 2022.

Basis for Qualified Opinion

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

1. The consolidated financial statements include financial statements of joint ventures which are not available or not audited wherever available.
2. Internal audit report is not made available for the purpose of our audit and reporting.

Emphasis of Matter

The company had applied for GST refund amounting to Rs. 50 Lakhs which was initially debited to GST Cash ledger. Subsequently the company has withdrawn the refund application. The Company's claim of refund of Rs. 50

Lakhs to the GST cash ledger is pending with the GST authorities.

Other Matters

We have not audited the financial results of the Joint Ventures entities. The consolidated financial results include the unaudited financial results of such joint ventures, whose financial statements are certified by the management. The unaudited financial statement/ financial information of these entities (Joint Ventures) have been furnished to us and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these entities (joint Ventures), is based solely on the information given to us by the Board of Directors.

Our opinion on the consolidated financial results is modified in respect of the above matters and the financial results/ financial information certified by the Board of Directors.

The financial results include the results for the quarter ended 31st March, 2022 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significant in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the financial statement as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In the audit of the current period, we have not observed any key audit matters required to be reported separately.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the Board's Report including Annexures to the Board's Report but does not include the financial statements and our auditor's report thereon. 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 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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information. We are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors are responsible for the preparation and presentation of these financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making 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 results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the financial results by the Directors of the Holding Company, as aforesaid.

In preparing the financial results, the Board of Directors of the company are responsible for assessing the ability of the company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the company included in the Group are also responsible for overseeing the Company's financial reporting process of the Group.

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the financial results 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 results.

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

- Identify and assess the risks of material misstatement of the financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) 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 operative effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/ financial information of the entities within the Group to express an opinion on the consolidated financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit except branch wise GST details and reconciliation with GSTIN ledgers and Bank accounts and FD closing balance certificates and certificate for interest credited / paid by respective banks.
 - (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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid consolidated IND As financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 24 (iv) to the financial statements;

1. Normally the company enters into long term construction contracts based on tender process and gets the contract based on a fixed price for a construction contract to be completed over the contracted years. As a normal business practice, the contract price is subject to escalation at mutually agreed proportion to the base price. As certified by the management, company does not foresee a loss on any such contract under execution during the year.
2. The company has not transferred the following amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

| Nature of Amount to be transferred | Amount |
|------------------------------------|---------|
| Share Application Money | 177,000 |

3. Based on audit procedures and relying on the management representation and certificates, we report that the disclosures are in accordance with Books of account maintained by the Company and as produced to us by the Management.

Other Matter

- a) We did not audit the financial statement of four Joint Ventures included in the statement, whose financial statements reflects total assets of Rs 952.70 Lakhs as at March 31, 2022, total revenue of Rs. 2787.32 Lakhs and total Profit of Rs. 27.28 Lakhs for the year ended on that date, as considered in the statement as per unaudited – management certified financial statements of the respective JVs.
- b) The accompanying consolidated financial statements include Company's proportionate share in jointly controlled assets and liabilities amounting to Rs. 259.80 Lakhs and Rs.227.15 Lakhs respectively as at March 31, 2022 and expenditure for the year ended amounting to Rs.717.65 Lakhs and income for the year ended amounting to Rs.724.70Lakhs and net profit of Rs. 7.05 Lakhs In respect of Joint Ventures, the audited accounts are not available with the Company. The financial statements have been incorporated based on Un-audited financial statements/ data of the Joint Ventures received from the company, in the absence of audited accounts of the Joint Ventures, we are unable to comment on the adjustments that may be required to be made in these financial statements.

Our opinion is modified in respect of these matters.

For **MEHTA KOTHARI & ASSOCIATES**
Chartered Accountants
 FRN : 106247

Sd/-
PRADIP C. MEHTA
 Partner

Membership No. 035447
 UDIN : 22035447AJYASE4691

Date: 30/05/2022
 Place: Mumbai

“Annexure-A”

TARMAT LIMITED

Statement on matters specified in paragraphs 3 & 4 of the Companies (Auditor’s Report) Order 2020 (“the order”), issued by the Central Government in terms of sub section (11) of section 143 of the Companies Act 2013, for the year ended 31st March 2022.

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular program of physical verification of property, Plant and Equipment which are verified in a phased manner over a period of three years. In accordance with this program, certain property, Plant and Equipment were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this frequency of physical verification is reasonable having regard to the size of the company and nature of business.
- (c) The title deeds of immoveable properties are held in the name of the company.
- (d) The Company has not revalued its Property, Plant and Equipment (Including right of use assets) or Intangible assets during the year.
- (e) As per the representations received by the management, there are no proceedings initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibitions) Act 1988 and rules made thereunder.
- (ii) The inventory has been physically verified, valued and certified by the management at the year end. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on such verification were not material and have been properly dealt within the books of account. The management has certified that the inventory and WIP are valued and reported at NRV.
- (iii) The Company had granted short term loan to another company which is received back during the year and no loan is outstanding.
- (iv) In respect of loans, investments, guarantees and security made or provided by the company during the year, the provisions of sections 185 and 186 of the Companies Act 2013 have been complied with.
- (v) In accordance with information and explanations given to us, the company has not accepted any deposits during the year and hence directives issued by the Reserve bank of India and provisions of section 73 to 76 and other applicable provisions of the Companies Act 2013, and rules framed there under are not applicable. No order in this regard, in respect of the company, has been passed by the Company Law Board or Reserve Bank of India or National Company Law Tribunal or any other court or any other tribunal.
- (vi) We have broadly reviewed the books of account maintained by the company pursuant to the rules made by the central government for the maintenance of cost records under section 148 of the Act, and are of opinion that prima facie, the prescribed accounts and records have been made and maintained. Under Section 148 of the Companies Act 2013, the company is liable for Cost Audit by an Independent Cost Auditor. The Management has represented that the Cost Audit for FY 2021-22 is under process. We are unable to comment as the cost audit report is not available for our verification.
- (vii) In our opinion and according to the information and explanation given to us, barring the delay & the non-payment of the following undisputed statutory liability, the company is regular in depositing undisputed statutory dues including Sales Tax, Cess and other material statutory dues, if any applicable to it with appropriate authorities

| Name of the Statute | Nature of Dues | Amount (Rs) | Period to which the amount relates | Due Date | Date of Payment | Remarks if any |
|---------------------|------------------------|---------------|------------------------------------|------------|-----------------|---------------------------------|
| INCOME TAX ACT,1961 | TAX DEDUCTED AT SOURCE | 31,75,658/- | 2021-22 | 31.05.2022 | | |
| | 194C | 1,18,868/- | | | 29.04.2022 | |
| | | 1,29,682/- | | | 29.04.2022 | |
| | | 3,95,793/- | | | 29.04.2022 | |
| | | 2,06,861/- | | | 29.04.2022 | |
| | | 1,32,678/- | | | 29.04.2022 | |
| | | 7,26,162/- | | | 29.04.2022 | |
| | | 42,026/- | | | 17.05.2022 | |
| | | 13,247/- | | | 17.05.2022 | |
| | | 42,026/- | | | 17.05.2022 | |
| | | 1,200/- | | | 17.05.2022 | |
| | | 1,01,854/- | | | 17.05.2022 | |
| | | 11,834/- | | | 17.05.2022 | |
| | | 30,922/- | | | 17.05.2022 | |
| | | 17,418/- | | | 17.05.2022 | |
| | | 4,140/- | | | 17.05.2022 | |
| | | 2,783/- | | | 17.05.2022 | |
| | | 96,673/- | | | 17.05.2022 | |
| | 194J | 3,91,525/- | | | 29.04.2022 | |
| | | 13,138/- | | | 17.05.2022 | |
| | | 29,520/- | | | 17.05.2022 | |
| | | 45,000/- | | | 17.05.2022 | |
| | | 2,70,000/- | | | 17.05.2022 | |
| | 194I | 38,147/- | | | 25.04.2022 | |
| | | 1,00,000/- | | | 29.04.2022 | |
| | | 1,00,000/- | | | 17.05.2022 | |
| | | 10,300/- | | | 17.05.2022 | |
| | 194H | 3,025/- | | | 25.04.2022 | |
| | | 750/- | | | 17.05.2022 | |
| | 194Q | 5,650/- | | | 29.04.2022 | |
| | | 20,225/- | | | 29.04.2022 | |
| | | 7,151/- | | | 29.04.2022 | |
| | | 33,189/- | | | 29.04.2022 | |
| | | 4,757/- | | | 17.05.2022 | |
| | | 1,455/- | | | 17.05.2022 | |
| | | 13,247/- | | | 17.05.2022 | |
| | 192B | 77,000/- | | | 25.04.2022 | |
| | 194A | 26376/- | | | Unpaid | |
| MVAT Act 2002 | VAT | 1,08,01,516/- | 2013-14 | 30-04-2014 | Unpaid | |
| | VAT | 1,17,761/- | 2016-17 | 30-04-2017 | Unpaid | |
| Goods & Service Tax | GST Payable | NIL | | | | Reconciliation is not available |
| | Provident Fund | 37,500/- | 2021-22 | 15.04.2022 | 05.04.2022 | |

| Name of the Statute | Nature of Dues | Amount (Rs) | Period to which the amount relates | Due Date | Date of Payment | Remarks if any |
|---------------------|-------------------------|--------------|------------------------------------|------------|--------------------------|--|
| | | 6,698/- | 2021-22 | 15.04.2022 | | |
| | ESIC | 6805/- | 2021-22 | 15.04.2022 | 11.04.2022 | |
| | Profession Tax | 33,500 | 2021-22 | 15.04.2022 | 11.04.2022 25.04.2022 | |
| | | 14,450/- | 2020-21 | 15.04.2021 | 26.04.2021 | |
| | | 1,27,675/- | 2019-20 | 31-03-2019 | 28.05.2022 | |
| | | 1,21,850/- | 2018-19 | 31-03-2019 | 28.05.2022 | |
| | | 1,07,075/- | 2017-18 | 30-04-2018 | 28.05.2022 | |
| | | 57,650/- | 2016-17 | 20-04-2017 | 28.05.2022 | |
| | | 97,675/- | 2015-16 | 20-04-2016 | Unpaid | |
| | | 95,500/- | 2014-15 | 20-04-2015 | Unpaid | |
| | | 69,175/- | 2013-14 | 20-03-2014 | Unpaid | |
| | | 1,65,325/- | 2012-13 | 20-03-2013 | Unpaid | |
| | | 96,950/- | 2011-12 | 20-03-2012 | Unpaid | |
| | Share Application Money | 177000/- | 2005-06 | | | To be Transferred to Investor Education and Protection Fund by the Company |

- (b) According to the information and explanation given to us, there are no dues of Income tax, Sales Tax, Service Tax, Custom duty, Excise duty and Cess which have not been deposited on account of dispute except in the following:.

| Name of the Statute | Nature of the dues | Amount involved. | Period Pending Before |
|---------------------|--------------------|------------------|------------------------------------|
| Maharashtra VAT | Assessment | 1,72,20,002/- | 01.04.05 To 31.03.06 JC Appeal VII |
| Maharashtra VAT | Assessment | 4,64,30,255/- | 01.04.06 To 31.03.07 JC Appeal VII |
| Maharashtra VAT | Assessment | 10,51,13,010/- | 01.04.07 To 31.03.08 JC Appeal VII |
| Maharashtra VAT | Assessment | 2,65,11,442/- | 01.04.08 To 31.03.09 DC Appeal V |
| Maharashtra VAT | Assessment | 50,63,931/- | 01.04.09 To 31.03.10 JC Appeal VII |
| Maharashtra VAT | Assessment | 3,81,98,816/- | 01.04.10 To 31.03.11 JC Appeal VII |
| Maharashtra VAT | Assessment | 15,37,12,469/- | 01.04.12 To 31.03.13 JC Appeal VII |
| Maharashtra VAT | Assessment | 22,23,622/- | 01.04.13 To 31.03.14 JC Appeal VII |
| Maharashtra VAT | Assessment | 1,55,06,710/- | 01.04.16 To 31.03.17 JC Appeal VII |
| Maharashtra VAT | Assessment | 21,44,179/- | 01.04.17 To 30.06.17 JC Appeal VII |

The above cases are all under appeal.

- (c) The Company has not provided reconciliation statements GST. Hence the liability towards it could not be ascertained. We are unable to comment on correct GST liability of the company.
- (viii) According to the information and explanations given to us and on the basis of records examined by us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under Income tax Act, 1961 (43 of 1961)

- (ix) Borrowings;

- a. In our opinion and according to the information and explanations given to us, and representation obtained from the management, the company has not defaulted in repayment of dues to financial institutions or banks.

- b. In our opinion and according to the information and explanations given to us and representation obtained from the management the company has not been declared wilful defaulter by any bank or financial institution or Government or any Government authority.
- c. In our opinion and according to information and explanations given to us and representation obtained from the management the Company has not availed term loans during the year.
- d. In our opinion and according to the information and explanations given to us and representation obtained from management, on an overall examination of financial statements of the company, funds raised on short-term basis have not been used during the year for long-term purposes by the company.
- e. According to information and explanations given to us and representations obtained from the management the company has not taken funds from any entity or person to meet obligations in Joint ventures.
- f. According to information and explanations given to us and representations obtained from the management the company has not raised loans during the year on the pledge of securities held in Joint ventures.
- (x) a. According to the information and explanations given to us, representation obtained from the management, the company has not raised moneys by way of initial public offer or further offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the order is not applicable.
- b. The Company has made preferential allotment of convertible warrants for the purpose of repayment of loans taken from promoters. As certified by the management, the requirements of sec 42 & 62 of the Companies Act 2013 have been complied with and the funds raised have been used for the purposes for which the funds were raised.
- (xi) a. In accordance with our audit as per generally accepted auditing practices and the information and explanation given to us, no fraud by or on the Company by its officers or its employees has been noticed or reported during the year nor have we been informed of any such case by the management.
- b. No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT- 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- c. According to the information and explanations given to us and representation from Management, no whistle-blower complaints have been received by the company during the year.
- (xii) The company is not a Nidhi Company as defined in section 406(1) of the Companies Act 2013. Therefore clause Xii of para 3 of the order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records, transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements as required by the applicable accounting standards. For reporting on transactions with related parties, we have relied on the list of related parties/ entities provided by the management.
- (xiv) a. The company has an internal audit system commensurate with the size and nature of its business.
- b. However, the internal audit report was not made available by the company.
- (xv) According to information and explanations given to us and based on our examination of the records, the company has not entered into any non-cash transactions with directors or persons connected with its directors and therefore the provisions of section 192 of Companies Act, 2013 is not applicable.
- (xvi) a. In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934 and has also not conducted any NBFC or Housing activities. Hence, reporting under clause 3(xvi)(a) and (b) of the order are not applicable.
- b. Neither the company nor any company in the group is a part of the core investment company as defined in the regulations made by RBI. Hence, reporting under clause 3(xvi)(c) and (d) of the order are not applicable.
- (xvii) According to the information and explanations given to us and based on our examination of the financial statements, the company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditor of the Company during the year.

- (xix) On the basis of financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities other information accompanying the financial statements and our knowledge of the Board of Directors and management plans and based on our examination of evidence supporting assumptions and information and explanation given to us by the management, nothing has come to our attentions, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and representation from management. Our report does not give any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) According to the information and explanations given to us by the management, CSR is not applicable for the year.
- (xxi) Financial Statements of Joint ventures which are included in the consolidated financial statements are not available or not audited wherever available

For **MEHTA KOTHARI & ASSOCIATES**
Chartered Accountants
FRN : 106247

Sd/-
PRADIP C. MEHTA
Partner
Membership No. 035447
UDIN : 22035447AJYASE4691

Date: 30/05/2022
Place: Mumbai

Annexure B to the Independent Auditors Report of even date on the Consolidated Financial Statements of Tarmat Limited**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”) for the year ended 31st March 2022****To the members of Tarmat Limited**

In conjunction with our audit of the consolidated financial statements of Tarmat Limited as of and for the year ended 31st March 2022, we have audited the internal financial controls over financial reporting of TARMAT LIMITED (“the Company”) and its four Joint Ventures as of March 31, 2022

Management’s Responsibility for Internal Financial Controls

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

Change in Management- Appointment of Directors

As per the information given to us by the management, there is no change.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significant in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the financial statement as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In the audit of the current period, we have not observed any key audit matters required to be reported separately.

Other Matters

We have not audited the financial results of the Joint Ventures entities. The consolidated financial results include the unaudited financial results of such joint ventures, whose financial statements are certified by the management. The unaudited financial statement/ financial information of these entities (Joint Ventures) have been furnished to us and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these entities (joint Ventures), is based solely on the information given to us by the Board of Directors.

Our opinion on the consolidated financial results is modified in respect of the above matters and the financial results/ financial information certified by the Board of Directors.

The financial results include the results for the quarter ended 31st March, 2022 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

Emphasis of Matter

The company had applied for GST refund amounting to Rs. 50 Lakhs which was initially debited to GST Cash ledger. Subsequently the company has withdrawn the refund application. The Company’s claim of refund of Rs. 50

Lakhs to the GST cash ledger is pending with the GST authorities

Auditors’ Responsibility

Our objectives are to obtain reasonable assurance about whether the financial results 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 results.

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

- Identify and assess the risks of material misstatement of the financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) 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 operative effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/ financial information of the entities within the Group to express an opinion on the consolidated financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We 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.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Qualified Opinion

We have audited the accompanying statement of standalone financial results of Tarmat Limited ("the Company") for the quarter and year ended 31st March, 2022 ("the Statement"), attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, except for the effect of matter described in the basis of qualified opinion paragraph below these financial results:

- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information for the quarter and year ended 31st March, 2022.

Basis for Qualified Opinion

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

1. The consolidated financial statements include financial statements of joint ventures which are not available or not audited wherever available.
2. Internal audit report is not made available for the purpose of our audit and reporting.

For **MEHTA KOTHARI & ASSOCIATES**
Chartered Accountants
FRN : 106247

Sd/-
PRADIP C. MEHTA
Partner
Membership No. 035447
UDIN : 22035447AJYASE4691

Date: 30/05/2022

Place: Mumbai

AUDITED CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2022

₹ in lacs

| Particulars | Note No. | As at 31st March 2022 | As at 31st March 2021 |
|---|----------|--------------------------|--------------------------|
| I. ASSETS | | | |
| 1) Non-current assets | | | |
| a) Property, Plant and equipment | 3 | 1,721.49 | 1,801.05 |
| b) Other Intangible Assets | | 14.63 | 14.63 |
| c) Financial Assets | | | |
| i) Investments | 4 | 104.78 | 1,922.89 |
| ii) Loans | 5 | 980.34 | 1,849.68 |
| iii) Other Financial Assets | 6 | 192.78 | 187.50 |
| d) Other Non Current Assets | | | |
| Total Non Current Assets | | 3,014.02 | 5,775.75 |
| 2) Current Assets | | | |
| a) Inventories | 7 | 7,986.78 | 6,930.27 |
| b) Financial Assets | | | |
| i) Trade Receivable | 8 | 2,247.94 | 1,294.04 |
| ii) Cash and Cash equivalents | 9 | 446.01 | 1,469.70 |
| iii) Loans | | | |
| iv) Other Financial Assets | | | |
| c) Current Tax Assets(Net) | 10 | 1,050.58 | 759.80 |
| d) Other Current Assets | 11 | 7,236.90 | 7,024.76 |
| Total Current Assets | | 18,968.21 | 17,478.57 |
| Total Assets | | 21,982.23 | 23,254.32 |
| II. EQUITY AND LIABILITIES | | | |
| Equity | | | |
| a) Equity Share Capital | 12 | 1,580.01 | 1,333.07 |
| b) Warrant | 12.2 | 992.55 | |
| c) Other Equity | 13 | 6,784.89 | 4,796.18 |
| Total Equity | | 9,357.45 | 6,129.25 |
| Liabilities | | | |
| 1) Non Current Liabilities | | | |
| a) Financial Liabilities | | | |
| i) Borrowings | 14 | 122.67 | 301.77 |
| b) Provisions | 15 | 75.04 | 114.31 |
| c) Deferred Tax Liabilities (Net) | 16 | 45.49 | 37.08 |
| d) Other Non Current Liabilities | | | |
| Total Non Current Liabilities | | 243.20 | 453.16 |
| 2) Current Liabilities | | | |
| a) Financial Liabilities | | | |
| i) Trade Payables | | | |
| Due to Micro and Small Enterprises | 17 | 534.41 | - |
| Due to Other than Micro and Small Enterprises | | 6,041.43 | 6,000.98 |
| ii) Short Term Borrowing | 14 | 4,213.28 | 8,645.34 |
| iii) Other Financial Liabilities | | | |
| b) Provisions | | | |
| c) Other Current Liabilities | 18 | 1,592.93 | 2,025.59 |
| d) Current Tax Liabilities (Net) | | | |
| Total Current Liabilities | | 12,381.58 | 16,671.91 |
| Total Equity and Liabilities | | 21,982.23 | 23,254.32 |
| Corporate Information and significant Accounting policies see accompanying notes forming part of the financial statements | 1&2 | | |

As per our report of even date

For **MEHTA KOTHARI & ASSOCIATES**

Registration No. 106247

Chartered Accountants

Sd/-

PRADIP C. MEHTA
(PARTNER)Membership No. 035447
UDIN : 22035447AJYASE4691

Sd/-

AMIT SHAH
Executive Director
Din No. 08467309

Sd/-

REGINA M SINHA
Independent Director
Din No. 08488285

Sd/-

S. CHAKRABORTY
Company Secretary / CFO

Place: Mumbai

Dated: 30/05/2022

AUDITED CONSOLIDATED PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH 2022

₹ in lacs

| Particulars | Note No. | As at 31st March 2022 | As at 31st March 2021 |
|--|----------|--------------------------|--------------------------|
| I Revenue from operations (Gross) | 19 | 18,100.84 | 19,583.17 |
| II. Other Income | 20 | 105.72 | 132.86 |
| III. Total Revenue (I + II) | | <u>18,206.56</u> | <u>19,716.03</u> |
| IV Expenses: | | | |
| Cost of Material Consumed | 21 | 5,723.64 | 3,704.94 |
| Construction Expenses | 22 | 10,230.26 | 14,030.14 |
| Employees benefits Expenses | 23 | 855.92 | 591.48 |
| Finance Costs | 24 | 199.15 | 306.24 |
| Depreciation and amortisation expenses | 25 | 106.05 | 138.23 |
| Other expenses | 26 | 604.39 | 543.44 |
| Other Provision - Provisions for diminution in value of non current investments | | 21.06 | - |
| Total Expenses (IV) | | <u>17,740.47</u> | <u>19,314.47</u> |
| V Profit (Loss) before exceptional items and tax (III-IV) | | <u>466.09</u> | <u>401.56</u> |
| VI Exceptional items | | - | - |
| VII Profit (Loss) before tax (V - VI) | | <u>466.09</u> | <u>401.56</u> |
| VIII Extraordinary item | | - | - |
| IX Profit before tax (VII-VIII) | | <u>466.09</u> | <u>401.56</u> |
| X Tax expenses | | | |
| 1) Current Tax | | - | - |
| 2) Adjustment of tax relating to earlier periods | | - | -160.73 |
| 3) Deferred tax | | 8.41 | 47.64 |
| XI Profit (Loss) for the year (VII-VIII) | | <u>457.68</u> | <u>514.65</u> |
| XII Other comprehensive income / (loss) | | | |
| a) Items that will not be reclassified to profit or Loss Remeasurements of the defined benefit plans deferred tax on above items | | - | - |
| b) Items that will be reclassified to profit or loss | | - | - |
| XIII Total Comprehensive Income for the period (IX+X) (Comprising profit/(Loss) and other comprehensive income for the Period) | | <u>457.68</u> | <u>514.65</u> |
| XIV Earnings per equity share (in Rs.) | | | |
| 1) Basic | | 2.90 | 3.86 |
| 2) Diluted | | 2.15 | 3.86 |
| Corporate Information and significant Accounting policies see accompanying notes forming part of the financial statements | 1&2 | | |

As per our report of even date

For **MEHTA KOTHARI & ASSOCIATES**

Registration No. 106247

Chartered Accountants

For and on behalf of the Board of Directors of TARMAT LTD

Sd/-

PRADIP C. MEHTA

(PARTNER)

Membership No. 035447

UDIN : 22035447AJYASE4691

Sd/-

AMIT SHAH

Executive Director

Din No. 08467309

Sd/-

REGINA M SINHA

Independent Director

Din No. 08488285

Sd/-

S. CHAKRABORTY

Company Secretary / CFO

Place: Mumbai

Dated: 30/05/2022

Cash Flow Statement for the year ended 31st March 2022

₹ in lacs

| Particulars | As at 31st March 2022 | As at 31st March 2021 |
|---|--------------------------|--------------------------|
| Profit before tax | 466.09 | 401.56 |
| Adjustments for: | | |
| Depreciation and amortisation | 106.05 | 138.23 |
| Provision for Gratuity | 3.23 | 8.50 |
| Investment in JV Written off | 1,818.11 | - |
| Interest Expense on FV | | |
| Finance cost | 199.15 | 306.24 |
| Interest Income | -21.07 | -64.81 |
| Operating profit before working capital changes | 2,571.55 | 789.72 |
| Changes in working capital: | | |
| (Increase)/Decrease in Trade and other Receivables and prepayments | -958.28 | 1,227.98 |
| (Increase)/Decrease in Inventories | -1,056.51 | 646.73 |
| Increase/(Decrease) in Trade and other Payables | 157.46 | -2,202.29 |
| Fixed Deposits | 944.75 | 1,376.41 |
| Loans/Advances to Subsidiaries/Associates and others | 366.42 | 642.60 |
| Cash generated/ (used) from Operations | -546.17 | 1,691.42 |
| Less: Taxes paid | | 160.73 |
| Net Cash flows from / (used in) Operating Activities- (A) | 2025.39 | 2,641.87 |
| B. Cash flow from Investing Activities | | |
| Payments for property, plant and equipment and Capital Work-in-Progress | -26.49 | -258.34 |
| Interest received | 21.07 | 64.81 |
| Investments in Subsidiaries, Associates and Others | 2,770.52 | - |
| Net Cash flows from / (used in) Investing Activities- (B) | 2,765.10 | -193.53 |
| C. Cash flow from financial Activities | | |
| Increase/ (decrease) in short term borrowings | -4,670.28 | -2,081.16 |
| Finance cost paid | -199.15 | -306.24 |
| Net Cash flows from / (used in) financial Activities- (C) | -4,869.43 | -2,387.40 |
| Net Increase/ (decrease) in cash and cash equivalents - (A+B+C) | -78.94 | 60.94 |
| Cash & Cash equivalents at the beginning of the year | 448.33 | 387.39 |
| Cash & Cash equivalents at the end of the year (Refer Note -1) | 369.39 | 448.33 |

Note:

1. Cash & Cash Equivalents

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|--|-------------------------|-------------------------|
| Cash on hand | 369.39 | 448.33 |
| Bank balance including deposits and cheque on hold - Current Account | | |
| Total cash & Cash Equivalents | 369.39 | 448.33 |

As per our report of even date

For **MEHTA KOTHARI & ASSOCIATES**

Registration No. 106247

Chartered Accountants

For and on behalf of the Board of Directors of TARMAT LTD

Sd/-

PRADIP C. MEHTA

(PARTNER)

Membership No. 035447

UDIN : 22035447AJYASE4691

Sd/-

AMIT SHAH

Executive Director

Din No. 08467309

Sd/-

REGINA M SINHA

Independent Director

Din No. 08488285

Sd/-

S. CHAKRABORTY

Company Secretary / CFO

Place: Mumbai

Dated: 30/05/2022

STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2022

A - Equity Share Capital Particulars

| | Number of Shares | (₹ In Lacs) Amount |
|---|------------------|--------------------|
| Balance as at April 1, 2020 | 13330700 | 1333.07 |
| Add: Equity shares allotted during the year | | |
| Balance as at March 31, 2021 | 13330700 | 1333.07 |
| Add: Equity shares allotted during the year | 2469403 | 246.94 |
| Add: Bonus Shares issued during the year | | |
| Balance as at March 31, 2022 | 15800103 | 1580.01 |

B - Other Equity

| Particulars | Reserves and Surplus | | | | | | Total |
|---|----------------------------|-----------------|---------------------|---|---|---------------------------------------|----------------|
| | Securities Premium Reserve | General Reserve | Revaluation Reserve | Surplus in the statement of profit and loss | Other items of Other Comprehensive Income | Money received against share warrants | |
| Balance as at April 1, 2020 | 6917.89 | 520.48 | 8.50 | -3165.34 | | | 4281.53 |
| Profit for the year | | | | 514.65 | | 0.00 | 514.65 |
| Other Comprehensive Income/(loss) for the year (Net of Taxes) | | | | | 0.00 | | 0.00 |
| Payment of Dividend | | | | | 0.00 | | 0.00 |
| Payment of Dividend Distribution tax | | | | | | | 0.00 |
| Balance as at March 31, 2021 | 6917.89 | 520.48 | 8.50 | -2650.69 | 0.00 | 0.00 | 4796.18 |
| Balance as at April 1, 2021 | 6917.89 | 520.48 | 8.50 | -2650.69 | 0.00 | 0.00 | 4796.18 |
| Profit for the year | | | | 457.68 | | | 457.68 |
| Addition during the year | 1531.03 | | | | | 992.55 | 2523.58 |
| Other Comprehensive Income/(loss) for the year (Net of Taxes) | | | | | | | 0.00 |
| Payment of Dividend | | | | | | | 0.00 |
| Payment of Dividend Distribution tax | | | | | | | 0.00 |
| Balance as at March 31, 2022 | 8448.92 | 520.48 | 8.50 | -2193.01 | 0.00 | 992.55 | 7777.44 |

see accompanying notes forming part of the financial statements

As per our report of even date

For **MEHTA KOTHARI & ASSOCIATES**

Registration No. 106247

Chartered Accountants

For and on behalf of the Board of Directors of TARMAT LTD

Sd/-

PRADIP C. MEHTA
(PARTNER)

Membership No. 035447
UDIN : 22035447AJYASE4691

Sd/-

AMIT SHAH
Executive Director
Din No. 08467309

Sd/-

REGINA M SINHA
Independent Director
Din No. 08488285

Sd/-

S. CHAKRABORTY
Company Secretary / CFO

Place: Mumbai

Dated: 30/05/2022

1. Corporate Information :

Tarmat Limited was established in year 1986 Mr. Jerry Varghese. The company is specialized in Construction of Airfield and National / state highways all over India. The Company is currently executing various Runway, Parking Bays, Taxi Track related work at Mumbai, Cochin, Trichy and Tuticorn Airport, and it is also executing National Highway work at Mizoram and Jammu.

Tarmat have completed the prestigious works of Resurfacing of Runways at Mumbai International Airport Limited and Delhi International Airport.

The Company had its IPO in 2007 and got listed in BSE and NSE. The present paid up capital of the company is Rs. 158001030, of which 39.90% is held by the promoters.

2. SIGNIFICANT ACCOUNTING POLICIES

a. System of Accounting

The Company follows mercantile system of accounting and recognizes income and expenditure on an accrual basis except in case of significant uncertainties. These financial statements are prepared under the historical cost convention unless otherwise indicated.

b. Statement of compliance

The Company's financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and amendments thereof issued by Ministry of Corporate Affairs in exercise of the powers conferred by section 133 of the Companies Act, 2013. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations require a different treatment. These financial statements have been approved for issue by the Board of Directors at their meeting held on June 29, 2021.

c. Presentation of financial statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

All asset and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. The Company considers 12 month as normal operating cycle.

The Company's financial statements are reported in Indian Rupees, which is also the company's functional Currency and all values are rounded to the nearest lakh except otherwise indicated.

d. Key accounting estimates

The preparation of the financial statements, inconformity with the recognition and measurement principles of Ind AS, requires the management to make estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income, expenses and disclosure of contingent liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognized in the period in which they are determined.

The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes 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.

e. Property, Plant and Equipment

- (i) Property, plant and equipment are stated at historical cost of acquisition including attributable interest and finance cost, if any, till the date of acquisition/installation of the assets less accumulated depreciation and accumulated impairment losses, if any.
- (ii) Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the statement of profit and loss as incurred.
- (iii) The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognized in the statement of profit and loss.
- (iv) Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.
- (v) On transition to Ind AS, the Company has opted to continue with the carrying values measured under the previous GAAP as at 1st April, 2016 of its property, plant and equipment and use that carrying value as the deemed cost of the property, plant and equipment on the date of transition i.e. 1st April, 2016.
- (vi) The Company depreciates property, plant and equipment on written down value method except for building, plant and machinery, laboratory equipment and excavators where depreciation is provided on straight line method over the estimated useful life prescribed in Schedule II of the Companies Act, 2013 from the date of the assets are ready for intended use after considering the residual value.
- (vii) Intangible assets mainly represent implementation cost for software and other application software acquired/ developed for in-house use. These assets are stated at cost. Cost includes related acquisition expenses, related borrowing costs, if any, and other direct expenditure.
- (viii) Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Otherwise, such items are classified as inventories.

Use of Estimate -

The preparation of financial statements requires estimates and assumptions to be made that affects the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

Revenue Recognition -

- (i) Income from construction contracts is recognized on the basis of work certified in accordance with percentage completion method. All other income and expenditure are recognized and accounted for on an accrual basis. Losses on contracts are fully accounted for as and when incurred.
- (ii) Hire Charges is accounted for as per terms of the lease agreement.
- (iii) Dividend Income is accounted for when the right to receive is established.
- (iv) Interest income on deposits is recognized on accrual basis. In absence of receipt of interest certificate from the banks, interest on FDs have been accounted based on income reported in the Company's TDS report as available on the Income tax Web portal under Company's PAN.

Fixed Assets -

Fixed Assets are stated at cost net of tax/duty credits availed, wherever applicable less accumulated depreciation/ impairment losses, if any. The cost of an asset comprises of purchase price and any directly attributable cost of bringing the assets to its present condition for intended use and incremental amount of revaluation.

Depreciation -

Depreciation is charged as per written down value method at the rate and in the manner specified in Schedule II to the Companies Act, 2013. Depreciation on fixed assets sold or scrapped during the year is provided upto the date on which such fixed asset is sold or scrapped. Depreciation on addition to fixed assets is calculated on pro rata basis from the day of addition.

Inventories -

The stock of stores, spares and embedded goods and fuel is valued at cost (weighted average basis), or net realizable value whichever is lower.

Work in Progress is valued at the contract rates and site mobilization expenditure of incomplete contracts is stated at cost.

All the inventories of stores, spares and embedded goods and fuel and work in progress have been physically verified by the Management at the year end.

Investment -

Investments which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as Long Term Investments. Current Investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long Term Investments are measured at Cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investment.

Borrowing Costs -

Borrowing cost which are directly attributable to the acquisition/construction of Qualifying Assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing cost is charged to revenue.

Current Tax and Deferred Tax -

(i) Provision for current tax is made after taking into consideration benefits admissible under the provision of the Income Tax Act, 1961.

(ii) Current Tax is calculated in accordance with the tax laws applicable to the current financial year.

For Financial Year 2019-20 the company has exercised option to pay income tax under the provisions of Section 115BAA of the Income tax Act, 1961 and as such provisions for payment of Minimum Alternate tax (MAT) is not applicable to the company.

The company proposes to pay tax under the provisions of Section 115BAA of the Income Tax Act 1961.

(iii) Deferred tax expense of benefit is recognized on timing difference being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

(iv) Advance tax and provision for current income, if any, are presented in the balance sheet after setting off advance tax paid and income tax provision arising in the same tax jurisdiction.

Indirect Taxation

Indirect tax liability under GST ACT is accounted based on sale/purchase invoices and input tax credit(ITC) is accounted based on ITC report available on the GSTIN portal. The same is subject to reconciliation and filing of annual return in form GSTR 9 under the GST ACT

Foreign Exchange Transaction -

(i) Transaction denominated in foreign currencies is normally recorded at the exchange rate prevailing at the time of the transaction.

(ii) Monetary items denominated in foreign currency as at the balance sheet date are translated at the year-end exchange rate.

(iii) Premium on forward cover contracts in respect of import of raw material is charged to profit & loss account over the period of contracts except in respect of liability for acquiring fixed assets, in which case the difference are adjusted in carrying cost of the same.

Employee Retirement Benefits -

The company provides for gratuity in accordance with the rules of the company based on an actuarial valuation carried out at the balance sheet date, by an independent actuary. Contribution payable to Employees benefits is charged to Profit & Loss Account as and when incurred. Leave wages is not applicable to this company. The Company has provided for gratuity during the current year as per the actuarial valuation of liability.

Impairment of Assets -

The company assesses at each balance sheet date whether there is any indication that an assets may be impaired. If any such indication exists, the company estimates the recoverable amount of the assets. If such recoverable amount of the assets or the recoverable amount of the cash generating unit to which the asset belong is less than its carrying amount, the carrying amount is reduced to its recoverable amount. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

Earning per share -

Basic EPS is computed using the weighted average number of equity shares outstanding during the year.

Provision, Contingent Liabilities and contingent assets -

Provision involving substantial degree of estimation in measurement is recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

Note 3 PROPERTY, PLANT AND EQUIPMENTS

| Particular | As at March 31, 2022 (₹ In Lacs) | As at March 31, 2021 (₹ In Lacs) |
|------------------------|--|--|
| Tangible Assets | | |
| Land -Free Hold | 435.25 | 435.25 |
| Buildings | 187.39 | 191.19 |
| Plant and Equipment | 1,015.96 | 1,093.76 |
| Furniture & Fixtures | 9.96 | 4.12 |
| Vehicles | 64.61 | 73.07 |
| Office Equipment | 8.33 | 3.66 |
| Others | - | - |
| | 1,721.49 | 1,801.05 |

| Particulars | Land - Free Hold | Buildings | Plant and Equipment | Furniture & Fixture | Vehicles | Office Equipment | Others (Specify) | Total |
|-------------------------------------|---------------------|---------------|------------------------|------------------------|---------------|---------------------|---------------------|-----------------|
| Cost or Deemed Cost | | | | | | | | |
| as at April 01 2021 | 435.25 | 346.06 | 5,880.75 | 115.73 | 350.93 | 90.19 | - | 7,218.89 |
| Additions | - | - | 4.90 | 7.06 | 8.29 | 6.25 | - | 26.48 |
| Disposals/Adjustments | - | - | - | - | - | - | - | - |
| As at March 31 2022 | 435.25 | 346.06 | 5,885.65 | 122.79 | 359.22 | 96.44 | - | 7,245.38 |
| Accumulated Depreciation | | | | | | | | |
| as at April 01 2021 | - | 154.87 | 4,786.99 | 111.61 | 277.86 | 86.53 | - | 5,417.86 |
| Charges for the Period | - | 3.80 | 82.70 | 1.22 | 16.75 | 1.58 | - | 106.05 |
| Disposals/Adjustments | - | - | - | - | - | - | - | - |
| As at March 31 2022 | - | 158.67 | 4,869.69 | 112.83 | 294.61 | 88.11 | - | 5,523.91 |
| Net Carrying Amount | | | | | | | | |
| As at March 31 2022 | 435.25 | 187.39 | 1,015.96 | 9.96 | 64.61 | 8.33 | - | 1,721.49 |
| As at March 31 2021 | 435.25 | 191.19 | 1,093.76 | 4.12 | 73.07 | 3.66 | - | 1,801.05 |

| Particulars | Land - Free Hold | Buildings | Plant and Equipment | Furniture & Fixture | Vehicles | Office Equipment | Others (Specify) | Total |
|-------------------------------------|---------------------|---------------|------------------------|------------------------|---------------|---------------------|---------------------|-----------------|
| Cost or Deemed Cost | | | | | | | | |
| as at April 01 2020 | 435.25 | 340.02 | 5,657.33 | 115.73 | 323.71 | 88.53 | - | 6,960.56 |
| Additions | - | 6.04 | 223.42 | - | 27.22 | 1.66 | - | 258.34 |
| Disposals/Adjustments | - | - | - | - | - | - | - | - |
| As at March 31 2021 | 435.25 | 346.06 | 5,880.75 | 115.73 | 350.93 | 90.19 | - | 7,218.90 |
| Accumulated Depreciation | | | | | | | | |
| as at April 01 2020 | - | 151.14 | 4,666.50 | 111.00 | 265.06 | 85.92 | - | 5,279.62 |
| Charges for the Period | - | 3.73 | 120.49 | 0.61 | 12.80 | 0.61 | - | 138.23 |
| Disposals/Adjustments | - | - | - | - | - | - | - | - |
| As at March 31 2021 | - | 154.87 | 4,786.99 | 111.61 | 277.86 | 86.53 | - | 5,417.85 |
| Net Carrying Amount | | | | | | | | |
| As at March 31 2021 | 435.25 | 191.19 | 1,093.76 | 4.12 | 73.07 | 3.66 | - | 1,801.05 |
| As at March 31 2020 | 435.25 | 188.88 | 990.83 | 4.73 | 58.65 | 2.61 | - | 1,680.94 |

3.1 OTHER INTANGIBLE ASSETS

| Particular | As at March 31, 2022 (₹ In Lacs) | As at March 31, 2021 (₹ In Lacs) |
|------------|--|--|
| Goodwill | 14.63 | 14.63 |
| | 14.63 | 14.63 |

As at March 31, 2022

| Particulars | Goodwill (₹ In Lacs) | Total (₹ In Lacs) |
|---------------------------------|-------------------------|----------------------|
| Cost or Deemed Cost | | |
| as at April 01 2021 | 14.63 | 14.63 |
| Additions | - | - |
| Disposals/Adjustments | - | - |
| As at March 31 2022 | 14.63 | 14.63 |
| Accumulated Depreciation | | |
| as at April 01 2021 | - | - |
| Charges for the Period | - | - |
| Disposals/Adjustments | - | - |
| As at March 31 2022 | - | - |
| Net Carrying Amount | | |
| As at March 31 2022 | 14.63 | 14.63 |
| As at March 31 2021 | 14.63 | 14.63 |

As at March 31, 2021

| Particulars | Goodwill (₹ In Lacs) | Total (₹ In Lacs) |
|---------------------------------|-------------------------|----------------------|
| Cost or Deemed Cost | | |
| as at April 01 2020 | 14.63 | 14.63 |
| Additions | - | - |
| Disposals/Adjustments | - | - |
| As at March 31 2021 | 14.63 | 14.63 |
| Accumulated Depreciation | | |
| as at April 01 20220 | - | - |
| Charges for the Period | - | - |
| Disposals/Adjustments | - | - |
| As at March 31 2021 | - | - |
| Net Carrying Amount | | |
| As at March 31 2021 | 14.63 | 14.63 |
| As at March 31 2020 | 14.63 | 14.63 |

| Particular | As at March 31, 2022 (₹ In Lacs) | As at March 31, 2021 (₹ In Lacs) |
|------------|--|--|
|------------|--|--|

Note 4 INVESTMENTS

Non Current

Trade - Unquoted

a) Equity instruments of Others (at Cost)

| | | |
|--|--------|--------|
| Concast Jawasa Road Project Pvt Ltd 1042600 Nos Equity Shares of Rs.10 each | 104.26 | 104.26 |
| Concast Ambha Road Project Pvt Ltd 6476600 Nos Equity Shares of Rs.10 each | - | 647.66 |

| Particular | As at March 31, 2022 (₹ In Lacs) | As at March 31, 2021 (₹ In Lacs) |
|---|--|--|
| Concast Damoh Road Project Pvt Ltd 5623800 Nos Equity Shares of Rs.10 each | - | 562.38 |
| Concast Dhaneta Road Project Pvt Ltd 5870098 Nos Equity Shares of Rs.10 each | - | 587.01 |
| Concast Patan Road Project Pvt Ltd 210600 Nos Equity Shares of Rs.10 each | - | 21.06 |
| Concast Badnagar Road Project Pvt Ltd 2600 Nos Equity Shares of Rs.10 each | 0.26 | 0.26 |
| Concast Jabalpur Road Project Pvt Ltd 2600 Nos Equity Shares of Rs.10 each | 0.26 | 0.26 |
| Investment in Joint Venture | - | - |
| Total Unquoted Investment | 104.78 | 1,922.89 |

Details

| Aggregate of Investments | 31st March 2022 | | 31st March 2021 | |
|--------------------------|---------------------|-----------------------------|---------------------|-----------------------------|
| | Cost (₹ In Lacs) | Market Value (₹ In Lacs) | Cost (₹ In Lacs) | Market Value (₹ In Lacs) |
| a) Quoted Investment | - | - | - | - |
| b) Unquoted Investment | 104.78 | - | 1,922.89 | - |
| Total | 104.78 | - | 1,922.89 | - |

| Particular | As at March 31, 2022 (₹ In Lacs) | As at March 31, 2021 (₹ In Lacs) |
|------------------------------------|--|--|
| Note 5 LOANS | | |
| Non Current | | |
| Unsecured, Considered Good: | | |
| Retention deposit & with held | 846.19 | 1,744.67 |
| Advance to Employees | 134.15 | 105.00 |
| Total | 980.34 | 1,849.67 |

Note 6 OTHER FINANCIAL ASSETS

(₹ In Lacs)

| Particular | Outstanding for following periods from due date of | | | | | As at March 31, 2022 | As at March 31, 2021 |
|--|--|----------------------|-----------|-----------|----------------------|----------------------------|----------------------------|
| | Less than 6 months | 6 month to 1 Year | 1-2 years | 2-3 years | More than 3 years | | |
| Non Current | | | | | | | |
| Unsecured, Considered Good: | | | | | | | |
| Trade Receivable Considered Good | | | | 5.27 | 187.51 | 192.78 | 187.51 |
| Total Non Current | | | | | | 192.78 | 187.51 |

| Particular | As at March 31, 2022 (₹ In Lacs) | As at March 31, 2021 (₹ In Lacs) |
|---------------------------|--|--|
| Note 7 INVENTORIES | | |
| Raw Materials | 1,748.33 | 1,780.58 |
| Goods in Transit | | |
| | 1,748.33 | 1,780.58 |
| Work in Progress | 6,238.44 | 5,149.69 |
| Total | 7,986.78 | 6,930.27 |

Note 8 TRADE RECEIVABLE

(₹ In Lacs)

| Particular | Outstanding for following periods from due date of | | | | | As at March 31, 2022 | As at March 31, 2021 |
|--|--|----------------------|-----------|-----------|----------------------|----------------------------|----------------------------|
| | Less than 6 months | 6 month to 1 Year | 1-2 years | 2-3 years | More than 3 years | | |
| Current | | | | | | | |
| Unsecured, Considered Good: | | | | | | | |
| Trade Receivable Considered Good | 1,061.21 | 690.60 | 92.57 | 17.95 | 385.61 | 2,247.94 | 1,294.04 |
| Total Current | | | | | | 2,247.94 | 1,294.04 |

| Particular | As at March 31, 2022 (₹ In Lacs) | As at March 31, 2021 (₹ In Lacs) |
|------------|--|--|
|------------|--|--|

Note 9 : CASH AND CASH EQUIVALENTS

Balances with Banks

| | | |
|---|---------------|-----------------|
| In Current Accounts | 320.95 | 417.54 |
| In Deposit account | 74.85 | 1,019.60 |
| Cheques on Hold | | |
| Share Application money received for allotment of securities and due for refund | 1.77 | 1.77 |
| Cash on Hand | 48.43 | 30.79 |
| Total | 446.01 | 1,469.70 |

Note 10 : TAX ASSETS (NET)

| | | |
|-------------------------------------|-----------------|---------------|
| Non Current | | |
| Advance Tax | 746.52 | 759.80 |
| Total Non Current Tax Assets | 746.52 | 759.80 |
| Current | | |
| Advance tax | 304.06 | - |
| Less: Provision for Income Tax | | |
| Total Current Tax Assets | 304.06 | - |
| Total | 1,050.58 | 759.80 |

Note 11 : OTHER CURRENT ASSETS

Un-Secured Considered good

| | | |
|-----------------------------------|-----------------|-----------------|
| Advance to Sub contractor | 2,306.63 | 2,483.64 |
| Advance to Suppliers | 1,790.71 | 958.03 |
| Staff Imprest & Salary Advance | 12.12 | 44.42 |
| Security Deposit & Other Deposits | 3,127.45 | 3,538.67 |
| Total | 7,236.90 | 7,024.76 |

Note 12 : EQUITIES SHARE CAPITAL

(₹ In Lacs)

| | As at March 31, 2022 | | As at March 31, 2021 | |
|---|----------------------|-----------------|----------------------|-----------------|
| | No of Shares | | No of Shares | |
| Authorised Share Capital (Previous year 1,60,00,000 equity Shares of 10/- each) | 22000000 | 2,200.00 | 16000000 | 1,600.00 |
| Issued, subscribed & Fully paid share capital Equity Shares of 10/- each | | 1,580.01 | | 1,333.07 |
| | | 1,580.01 | | 1,333.07 |

Note 12.1 : Reconciliation of the number of shares outstanding at the beginning and at the end of the year is set out below

(₹ In Lacs)

| | As at March 31, 2022 | | As at March 31, 2021 | |
|---|----------------------|-----------------|----------------------|-----------------|
| | No of Shares | | No of Shares | |
| Number of Equity shares at the beginning of the year | 13330700 | 1,333.07 | 13330700 | 1,333.07 |
| Add: Number of shares issued | 2469403 | 246.94 | 0 | - |
| Less: Number of shares Bought back | | | | |
| Number of Equity shares at the end of the year | | <u>1,580.01</u> | | <u>1,333.07</u> |

Note 12.2 : Warrants issue during the year

| | Nos of Warrants | As at March 31, 2022 | As at March 31, 2021 |
|---|-----------------|----------------------|----------------------|
| Number of Convertible Warrants issued 79,83,548 @ Rs 72 | | | - |
| Number of Warrants converted into Equity Shares 24,69,403 of Rs 10/- Each @ 72 | | | - |
| Amount Received against Convertible Warrants Rs 18/- Received of 72/- | 55,14,145 | 992.55 | |

Note 12.3 : The Details of Shareholder holding more than 5% shares as at March 31, 2022 and March 31, 2021 is set out below

(₹ In Lacs)

| | As at March 31, 2022 | | As at March 31, 2021 | |
|-----------------------------|----------------------|--------|----------------------|-----------|
| | Nos of Shares | % | No of Shares | % Holding |
| Mr Jerry Varghese | 2035820 | 12.88% | 2035820 | 15.27% |
| Mrs Saramma Varghese | 1051161 | 6.65% | 1051161 | 7.88% |
| Mrs Sunita Babulal Surana | - | - | 855061 | 6.41% |
| Mrs Sunita Sanjay Surana | - | - | 855061 | 6.41% |
| M/s Tarmat Holdings Pvt Ltd | 1361328 | 8.62% | 1361328 | 10.21% |

Note 13 : OTHER EQUITY

| Particular | As at March 31, 2022 (₹ In Lacs) | As at March 31, 2021 (₹ In Lacs) |
|--------------------------------------|-------------------------------------|-------------------------------------|
| a) Securities Premium Reserve | | |
| Balance as per Last Balance Sheet | 6,917.89 | 6,917.89 |
| Addition during the year | 1,531.03 | - |
| Closing Balance (A) | <u>8,448.92</u> | <u>6,917.89</u> |
| b) General Reserve | | |
| Balance as per Last Balance Sheet | 520.48 | 520.48 |
| Transfer during the year | - | - |
| Closing Balance (B) | <u>520.48</u> | <u>520.48</u> |
| c) Revaluation Reserve | | |
| Balance as per Last Balance Sheet | 8.50 | 8.50 |
| Transfer during the year | - | - |
| Closing Balance (C) | <u>8.50</u> | <u>8.50</u> |

| Particular | As at March 31, 2022 (₹ In Lacs) | As at March 31, 2021 (₹ In Lacs) |
|---|--|--|
| d) Surplus in the statement of profit and loss | | |
| Balance at the Beginning of the period | -2,650.69 | -3,165.34 |
| Add: Profit(Loss) for the period | 457.68 | 514.65 |
| Less: Dividend Paid/Payable | | |
| Closing Balance (D) | -2,193.01 | -2,650.69 |
| Total (a+b+c+d) | 6,784.89 | 4,796.18 |

Note 14 : BORROWINGS

| | | |
|-------------------------------------|-----------------|-----------------|
| Non Current | | |
| Secured Loans | | |
| Term Loans | | |
| From Bank | | |
| Equipment and vehicle loans | 122.67 | 291.89 |
| From NBFC | | |
| Equipment and vehicle loans | - | 9.88 |
| Total | 122.67 | 301.77 |
| Total Non Current Borrowings | 122.67 | 301.77 |
| Current | | |
| Secured Loans | | |
| From Bank | | |
| Equipment and vehicle loans | 197.28 | 173.96 |
| From NBFC | | |
| Equipment and vehicle loans | 10.24 | 13.71 |
| Total Secured Loan | 207.52 | 187.67 |
| Unsecured Loans | | |
| From Related parties | 3,577.86 | 4,586.99 |
| From Others | 427.90 | 3,870.68 |
| Total Unsecured Loans | 4,005.76 | 8,457.67 |
| Total Current Borrowings | 4,213.28 | 8,645.34 |
| Total Borrowing | 4,335.95 | 8,947.11 |

Note 14.1 : Details of Secured loans with rate of interest & Maturity dates

(₹ In Lacs)

| Particular | Effective Interest rate (p.a) | Maturity | As at March 31, 2022 | As at March 31, 2021 |
|-------------------------------|-------------------------------------|-----------|----------------------------|----------------------------|
| Non Current Borrowings | | | | |
| From Bank | | | | |
| ICICI Bank | 11.51 | 01.Jul.23 | 23.17 | 86.09 |
| ICICI Bank | 11.5 | 01.Aug.23 | 35.27 | 57.92 |
| ICICI Bank | 9.25 | 22.Jun.24 | 35.27 | 57.92 |
| ICICI Bank | 9.25 | 22.Jun.24 | 28.96 | 89.95 |
| Total | | | 122.67 | 291.88 |
| Current Maturities | | | 197.28 | 173.96 |
| ICICI Bank | 8.01 | 07-Mar-22 | - | 18.00 |

| Particular | Effective Interest rate (p.a) | Maturity | As at March 31, 2022 | As at March 31, 2021 |
|--|-------------------------------|-----------|----------------------|----------------------|
| From NBFC | | | | |
| Mahindra & Mahindra Financial Services Ltd | | 15-Nov-22 | - | 9.88 |
| Current Maturities | | | 10.24 | 13.71 |
| Total | | | 10.24 | 23.59 |
| Total Secured Loan | | | 132.91 | 315.47 |

Note 15. PROVISIONS

| Particular | As at March 31, 2022 ₹ In Lacs | As at March 31, 2021 ₹ In Lacs |
|-------------------------------------|-----------------------------------|-----------------------------------|
| Non Current | | |
| Provision for Employee Benefits | | |
| Gratuity | 75.04 | 114.31 |
| Total Non Current Provisions | 75.04 | 114.31 |
| Current | | |
| Provision for Expenses | - | - |
| Total Current Provisions | - | - |
| Total | 75.04 | 114.31 |

Note 16. DEFERRED TAX LIABILITIES (NET)

| | | |
|--|--------------|--------------|
| Deferred tax liability | | |
| Related to Property, plant and equipment | 45.49 | 37.08 |
| Deferred tax liability | 45.49 | 37.08 |
| Total | 45.49 | 37.08 |

Note 17. TRADE PAYABLE

(₹ In Lacs)

| Particular | Outstanding for following periods from due date of payment | | | | As at March 31, 2022 | As at March 31, 2021 |
|------------------------|--|-----------|-----------|-------------------|----------------------|----------------------|
| | Less than 1 Years | 1-2 years | 2-3 years | More than 3 years | | |
| Trade Payable | | | | | | |
| Due to MSME | 532.67 | 1.74 | - | - | 534.41 | - |
| Due to Other than MSME | 4,823.57 | 633.92 | 24.81 | 559.13 | 6,041.43 | 6,000.98 |
| Total | | | | | 6,575.84 | 6,000.98 |

| Particular | As at March 31, 2022 ₹ In Lacs | As at March 31, 2021 ₹ In Lacs |
|---|-----------------------------------|-----------------------------------|
| Note 18 : OTHER CURRENT LIABILITIES | | |
| Advance Received | 37.33 | - |
| Due to Statutory authorities | 165.09 | 206.33 |
| Others | | |
| Due to Employees | 51.37 | 56.18 |
| Application money received for allotment of securities and due for refund | 1.77 | 1.77 |
| Others | 1,337.38 | 1,761.31 |
| Total | 1,592.93 | 2,025.59 |

| Particular | As at March 31, 2022 ₹ In Lacs | As at March 31, 2021 ₹ In Lacs |
|---|--------------------------------------|--------------------------------------|
| Note 19 : REVENUE FROM OPERATIONS | | |
| Income from contracts | 17,012.09 | 19,814.17 |
| Add: Work in Progress, at close | 6,238.44 | 5,149.69 |
| Total | 23,250.53 | 24,963.86 |
| Less: Work in Progress, at commencement | 5,149.69 | 5,380.69 |
| Total | 18,100.84 | 19,583.17 |
| Note 20 : OTHER INCOME | | |
| Hire, Rent and Royalty charge received | 7.20 | - |
| Total | 7.20 | - |
| Interest | | |
| Interest Income from bank | 21.07 | 64.81 |
| Interest income from others | 1.14 | - |
| Interest income from MSEDCL | - | 0.08 |
| Interest on IT Refund /Income Tax refund | - | 44.27 |
| Total Interest | 22.21 | 109.16 |
| Other non operating income | | |
| Misc Receipt | 5.72 | 16.69 |
| Liabilities no longer required written back | 18.38 | 7.01 |
| Share of profit from joint Venture | - | - |
| Share of profit from joint Venture (prior Period) | 52.21 | - |
| Total Other Income | 76.30 | 23.70 |
| Total | 105.71 | 132.86 |
| Note 21 : COST OF CONSTRUCTION MATERIAL CONSUMED | | |
| Construction Materials, Stores & Spares | | |
| Opening Stock | 1,780.58 | 2,196.31 |
| Add : Net Purchase | 5,691.39 | 3,289.21 |
| | 7,471.97 | 5,485.52 |
| Less: Closing Stock | 1,748.33 | 1,780.58 |
| Total Consumption | 5,723.64 | 3,704.94 |
| Note 22 : CONSTRUCTION EXPENSES | | |
| Subcontract Expenses | 8,642.15 | 13,420.76 |
| Power and Fuel | 21.10 | 23.54 |
| Royalty | - | - |
| Transport Charge | 231.76 | - |
| Hire Charge | 282.71 | - |
| Labour Charge | 501.84 | 134.58 |
| Repairs to Building & Others | - | 16.30 |
| Repairs to Machinery | 517.65 | 400.00 |
| Other Construction Expenses | 33.05 | 34.96 |
| Total | 10,230.26 | 14,030.14 |

| Particular | As at March 31, 2022 ₹ In Lacs | As at March 31, 2021 ₹ In Lacs |
|---|--------------------------------------|--------------------------------------|
| Note 23 : EMPLOYEES BENEFITS EXPENSES | | |
| Salaries, Wages and other Benefits | 646.75 | 473.37 |
| Contribution to Provident and other funds | 2.84 | 3.02 |
| Staff Welfare Expenses | 203.10 | 106.59 |
| Gratuity fund contributions | 3.23 | 8.50 |
| Total | 855.92 | 591.48 |
| Note 24 : FINANCE COST | | |
| Interest Expenses on | | |
| Term Loans | 14.36 | 25.55 |
| Loan from directors | - | - |
| Loan from others | 184.79 | 280.69 |
| Total | 199.15 | 306.24 |
| Note 25 : DEPRECIATION AND AMORTISATION EXPENSES | | |
| Depreciation & Amortisation | 106.05 | 138.23 |
| Total | 106.05 | 138.23 |
| Note 26 : OTHER EXPENSES | | |
| Travelling & Conveyance (includes Boarding & Lodging Expense) | 34.30 | 34.48 |
| Postage & Telegrams and Telephones | 6.24 | 8.24 |
| Business Promotion Expenses | 1.01 | 2.38 |
| Advertisement & Publicity | - | - |
| Legal, Professional & consultancy Charges | 215.31 | 328.09 |
| Insurance | 48.77 | 74.64 |
| Rates & Taxes including taxes of income | 10.61 | 0.37 |
| Auditor's Remuneration (Including out of pocket expenses) | 3.58 | 3.08 |
| Printing & Stationery | 5.23 | 2.86 |
| Tender Expenses | - | - |
| Office Maintenance | 3.85 | 8.47 |
| Rent Expenses | 174.62 | 38.92 |
| Electricity Charges | - | - |
| Interest, Penalty on statutory dues | 38.50 | 6.81 |
| Director Remuneration | 30.00 | 15.00 |
| Miscellaneous Expenses | 32.37 | 20.09 |
| Total | 604.39 | 543.44 |

Note 27 : Extraordinary item

There are no extraordinary item during the current year.

Note 28 : Contingent liabilities

| Particulars | 2021-2022 | 2020-2021 |
|----------------|-----------|-----------|
| Bank Guarantee | - | - |
| Property Tax | - | - |

Note 29 : Earning per share**1) Disclosures as required by Accounting Standard (AS) 20 Earnings per Share (EPS) –**

| Sr. No. | Particulars | 2021-2022 | 2020-2021 |
|---------|--|-----------|-----------|
| i) | Profit attributable to Equity Shareholders for Basic Earning per Share | 457.68 | 514.65 |
| ii) | Weighted average number of equity shares | 158.001 | 133.37 |
| iii) | Face Value of equity share | 10/- | 10/- |
| iv) | Earnings per share (Basic) | 2.90 | 3.86 |
| v) | Earnings per share (Diluted) | 2.15 | 3.86 |

Note 30 : Related Party Transactions

Information on Related Party Disclosures as per Accounting Standard 18 (AS-18) on Related Party Disclosures is given below:

For the year ended 31st March 2022

a) List of related parties with whom the company entered into transactions -

| Sr. No. | Name of Related Party | Nature of Relationship |
|--|----------------------------|-------------------------|
| A) Key Management personnel and their relatives - | | |
| 1 | Mr. Amit shah | Executive Director |
| 2 | Mrs.Regina M. Sinha | Independent Director |
| 3 | Mr. Shivatosh Charkraborty | Company Secretary / CFO |
| 4 | Mr. Dilip Varghese | Promotor |
| 5 | Mr. Jerry Varghese | Promotor |
| 6 | Mrs Saramma Varghese | Promotor |

b. NATURE OF TRANSACTIONS

| Nature of Transaction | 2021-2022 | 2020-2021 | Nature of Relationship |
|-------------------------|-----------|-----------|--------------------------|
| Managerial Remuneration | 45.00 | 28.19 | Key Management personnel |
| Repayment of loan | 1009.12 | - | Promoter |

Note 31 : Disclosure in accordance with Accounting Standard -7 (Revised) - Construction Contracts

(₹ in lacs)

| Particulars | 2021-2022 | 2020-2021 |
|--|-----------|-----------|
| Amount of Contract revenue recognized as revenue in the period | 18100.84 | 19,814.17 |
| Contract cost incurred and recognized profits (less recognized losses) upto the reporting date | 17490.26 | 19,445.33 |
| Recognised Profit | 610.58 | 368.84 |
| Advances received from customers for contract work | - | 43.66 |
| Retention money | 386.53 | 1,813.36 |
| Gross amount due from customer for contract work | 1901.43 | 2,222.42 |
| Gross amount due to customer for contract work | - | 43.66 |

Note 32 : Segment information –**1) Segment information****a) Primary Segment**

The business segment has been considered as the primary segment. The company is engaged in only one reportable segments viz Construction.

b) Secondary Segment

The company operates in India and hence there are no geographical segments.

Note 33 : Disclosure relating to Employee Benefits – As per AS- 15

(₹ in lacs)

| A | Expenses recognized in the Statement of Profit & Loss Account for the year ended | 31.3.2021 | 31.3.2021 |
|---|--|-----------|-----------|
| 1 | Current Service Cost | 2.90 | 2.66 |
| 2 | Interest Cost | 4.64 | 3.86 |
| 3 | Actuarial (Gain)/Loss | 2.61 | 2.51 |
| 4 | Past Service Cost-Vested Benefit recognized during the Period | | - |
| 5 | Transitional Liability Recognized during the Period | | - |
| 6 | Expenses Recognized in P & L | 3.23 | 8.50 |

| B Net Asset/(Liability) recognized in the Balance Sheet | | | |
|--|--|----------------|-----------------|
| 1 | Fair Value of Plan Assets At the End of the Period | - | - |
| 2 | Present Value of Benefit Obligation at the end of the Period | 75.04 | 114.31 |
| 3 | Difference | (75.04) | (114.31) |
| 4 | Unrecognized Past Service Cost at the end of the Period | | - |
| 5 | Unrecognized Transitional Liability at the end of the Period | | - |
| | (Net Liability Recognized in the Balance sheet) | (75.04) | (114.31) |
| C Change in Present Value of Obligation | | | |
| 1 | Present Value of Benefit Obligation at the beginning of the current Period | 70.55 | 105.81 |
| 2 | Interest Cost | 4.64 | 3.86 |
| 3 | Current Service Cost | 2.90 | 2.66 |
| 4 | Past Service cost-Non Vested Benefit | | - |
| 5 | Past Service Cost-Vested Benefit | | - |
| 6 | Liability Transferred in | | - |
| 7 | (Liability Transferred Out) | | - |
| 8 | (Benefit Paid) | | - |
| 9 | Actuarial (Gain)/Loss on Obligations | 2.61 | 2.51 |
| 10 | Present value of benefit obligation at the end of the Current Period | 75.04 | 114.31 |
| D Actuarial Assumptions:- | | | |
| 1 | Discount Rate-Previous | 6.57% | 7.56% |
| 2 | Salary Escalation-Previous | 6.00% | 6.00% |
| 3 | Attrition Rate-Previous | 2.00% | 2.00% |
| 4 | Discount Rate-Current | 6.57% | 6.04% |
| 5 | Salary Escalation-Current | 6.00% | 6.00% |
| 6 | Attrition Rate-Current | 2.00% | 2.00% |

Note 34 Additional Comments

- 1) On assessment of the impairment of fixed assets of the company as at the Balance Sheet date as required by Accounting Standard 28 "Impairment of Assets" issued by the ICAI, the company is of the view that no provision for impairment of fixed assets is required.
- 2) In accordance with Accounting Standard 11 (revised), the net exchange gain credited to profit & Loss account is ₹ Nil/- (Previous year debit ` Nil).
- 3) In the opinion of the Board the current assets and advances if realized in the ordinary course of business have value on realization at least to the amount at which these are stated in the Balance Sheet. The provision for all known liabilities are adequate and not in excess of the amount reasonable necessary

As per our report of even date

For **MEHTA KOTHARI & ASSOCIATES**

Registration No. 106247

Chartered Accountants

For and on behalf of the Board of Directors of **TARMAT LTD**

Sd/-

PRADIP C. MEHTA
(PARTNER)Membership No. 035447
UDIN : 22035447AJYASE4691

Sd/-

AMIT SHAH
Executive Director
Din No. 08467309

Sd/-

REGINA M SINHA
Independent Director
Din No. 08488285

Sd/-

S. CHAKRABORTY
Company Secretary / CFO

Place: Mumbai

Dated: 30/05/2022





Tarmat Limited
General A. K. Vaidya Marg,
Near Wageshwari Mandir Stop,
Off Film City Road,
Goregaon (E)
Mumbai - 400 063.
Tel.: +91-22-2840 2130 / 1180 Fax: +91-22-2840 0322
Website: www.tarmatlimited.com
Email: contact@tarmatlimited.com