

# Sonika Bansal & Co.

## Chartered Accountants

### Independent Auditors' Report

To,

The Members of M/s Spectra Punj Lloyd Limited

**Report on the Audit of the Standalone Ind AS Financial Statements**

#### Opinion

We have audited the accompanying Standalone Ind AS financial statements of M/s Spectra Punj Lloyd Limited ("the Company"), which comprise the balance sheet as at 31<sup>st</sup> March, 2022, the Statement of profit and loss (including other comprehensive income), the cash flow statement, statement of changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the act read with the companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022, its profit including other comprehensive income, its cash flows and changes in equity for the year ended on that date.

#### Basis for Opinion

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

#### Information other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors and Management is responsible for the preparation of the other information. The other information comprises the information included in the company's annual report, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



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

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

#### **Management's and Board of Directors' Responsibilities for the financial statements**

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

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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



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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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



**Report on Other Legal and Regulatory Requirements**

- I. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure "A"**, a statement on the matters Specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- A. As required by section 143(3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss(including the Statement of Other Comprehensive Income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - e) On the basis of written representations received from the directors as on 31<sup>st</sup> March,2022, taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March,2022 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to 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**".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company does not have any pending litigations which would impact its financial position.
  - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii) There were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund by the Company.



- iv) a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding whether recorded in writing or otherwise, that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
  - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
- (c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (a) and (b) contain any material mis-statement.
- v) The company has not declared or paid dividend during the year, therefore the provisions of Section 123 of the Act are not applicable.



4. In our opinion, the managerial remuneration for the year ended 31<sup>st</sup> March, 2022, has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Ac

For Sonika Bansal & Co.

Chartered Accountants  
Firm Registration No.: 031329N



Sonika Bansal  
Proprietor  
Membership No. 099459

Place: Gurugram

Date : October 20, 2022

UDIN: 22099459BAMSCS9604

Annexure - A referred to in our Independent Auditor's Report to the members of M/s Spectra Punj Lloyd Limited on the financial statements for the year ended 31<sup>st</sup> March 2022

We report that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(i) (a) (B) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not have any intangible assets and accordingly, reporting under this clause is not applicable.

(i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years.

In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.

(i) (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) as disclosed in the standalone financial statements are held in the name of the Company.

(i) (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.



(i) (e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) According to information and explanations given to us and on the basis of our examination of the records of the Company, the Company has no inventory and assets and accordingly, reporting under this clause is not applicable.

(ii) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. Accordingly, filing of the quarterly statements by the Company with such banks as in agreement with the unaudited books of account of the Company is not applicable. The Company has not taken any working capital facilities from any financial institution.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnership or any other parties during the year. The Company has not made any investments in subsidiary and other parties during the year. Further, the Company has granted loans, secured or unsecured to company during the year, in respect of which the requisite information is given as stated below:





(Rs. '000)

Amount of Loan during the Year	Amount of Loan Balance as on 31 <sup>st</sup> March 2022	Date of Start of Loan	End Date	Rate of Interest (% p.a.)	Borrower	Relationship with lender
921	NIL	During the year for meeting statutory expenses	Non Recoverable	NIL	Punj Lloyd Upstream Limited	Fellow Subsidiary
325	NIL	During the year for meeting statutory expenses	Non recoverable	NIL	Punj Lloyd Aviation Limited	Fellow Subsidiary
106	NIL	During the year for meeting statutory expenses	Non recoverable	NIL	Indraprastha Renewable Private Limited	Fellow Subsidiary
30	NIL	During the year for meeting statutory expenses	Non recoverable	NIL	Sembawang Infrastructure India Pvt Ltd	Fellow Subsidiary



The Company has not made any investment in firms or limited liability partnership or granted any loans to firms, limited liability partnership or any other parties during the year.

(a) (A) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has not provided loans and guarantee to subsidiaries. Further, no loans have been granted to joint venture. The Company does not have any associate.

(B) Based on the audit procedures carried on by us and as the information and explanations given to us, the Company has not provided loans to parties other than subsidiary and joint-venture.

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made and the terms and conditions of the grant of loans provided during the year are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular.

Further, the Company has not given any advance in the nature of loan to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of the existing loans given to same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.



(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of investments made and loans and guarantee given by the Company, in our opinion the provisions of Section 185 and 186 of the Companies Act, 2013 ("the Act") have been complied with. The Company has not provided any security as specified under section 185 and 186 of the Act.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues have been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues have been regularly deposited by the Company with the appropriate authorities by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues referred to in sub clause (a) of clause vii of the Order which have not been deposited on account of any dispute.

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.



(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest there onto any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that the Company has not used funds raised on short term basis for long-term purposes.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or joint ventures as defined under the Act. The Company does not have any associates.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).

(x) (a) In our opinion and according to the information and explanations given to us, the Company has not raised money by way of issue of debt instruments and thus reporting under clause (x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.



(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistleblower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.



(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations provided to us by management of the Company, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have more than one CIC (the one CIC is not required to be registered with RBI as not being Systemically Important CIC) . We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly reporting under the clause 3(xvi) (d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current year. However, the Company had incurred cash losses of 608 lakhs in immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause (xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us, on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, fully available revolving undrawn credit facilities, liquid investments in debt mutual funds, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly,



(a) (A) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has not provided loans and guarantee to subsidiaries. Further, no loans have been granted to joint venture. The Company does not have any associate.

(B) Based on the audit procedures carried on by us and as the information and explanations given to us, the Company has not provided loans to parties other than subsidiary and joint-venture.

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made and the terms and conditions of the grant of loans provided during the year are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular.

Further, the Company has not given any advance in the nature of loan to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of the existing loans given to same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of investments made and loans and guarantee given by the Company, in our opinion the provisions of Section 185 and 186 of the Companies Act, 2013 ("the Act") have been complied with. The Company has not provided any security as specified under section 185 and 186 of the Act.



(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues have been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues have been regularly deposited by the Company with the appropriate authorities by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues referred to in sub clause (a) of clause vii of the Order which have not been deposited on account of any dispute.

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest there onto any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.





(c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that the Company has not used funds raised on short term basis for long-term purposes.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or joint ventures as defined under the Act. The Company does not have any associates.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).

(x) (a) In our opinion and according to the information and explanations given to us, the Company has not raised money by way of issue of debt instruments and thus reporting under clause (x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistleblower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.



(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company(CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations provided to us by management of the Company, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have more than one CIC (the one CIC is not required to be registered with RBI as not being Systemically Important CIC ). We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly reporting under the clause 3(xvi) (d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current year. However, the Company had incurred cash losses of 608 lakhs in immediately preceding financial year.



(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause (xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us, on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, fully available revolving undrawn credit facilities, liquid investments in debt mutual funds, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For Sonika Bansal & Co.

Chartered Accountants  
Firm Registration No.: 031329N



Sonika Bansal  
Proprietor  
Membership No. 099459



Place: Gurugram

Date : October 20, 2022

UDIN: 22099459BAMSCS9604

Annexure- B to the Independent Auditors' Report on the financial statements of Spectra Punj Lloyd Limited for the year ended 31 March 2022

Report on the Internal Financial Controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

{Referred to in paragraph (1A(f)) under 'Report on other Legal and Regulatory Requirements' section of our report of even date}

#### Opinion

We have audited the internal financial controls over financial reporting of Spectra Punj Lloyd Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these Financial Statements and such internal financial controls over financial reporting with reference to these Financial Statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India(the"Guidance Note").

#### 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.



### **Auditors' Responsibility**

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

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

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

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

A company's internal financial control over financial reporting with reference to these Financial Statements 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 with reference to these Financial Statements 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 with reference to these Financial Statements, 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 with reference to these Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For Sonika Bansal & Co.

Chartered Accountants  
Firm Registration No.: 031329N



Sonika Bansal  
Proprietor  
Membership No. 099459

Place: Gurugram  
Date : October 20, 2022  
UDIN: 22099459/BAMSCS 9604

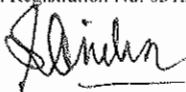
Spectra Punj Lloyd Limited  
 Standalone Balance Sheet as at March 31, 2022  
 CIN No. - U51909DL1985PLC021607  
 (All amounts in INR Thousands, unless otherwise stated)

	Notes	As at March 31, 2022	As at March 31, 2021
<b>Assets</b>			
<b>Non-current assets</b>			
Property Plant and Equipments	3	-	-
Trade receivables	6	-	-
Other non-current assets	4	-	3,041
<b>Total non-current assets</b>		-	<b>3,041</b>
<b>Current assets</b>			
<b>Financial Assets</b>			
Trade receivables	6	6,500	-
Cash and bank balances	7	1,663	5,803
Loans	5	-	-
Current tax receivable (net)		1,915	874
Others	4	2,795	4,147
<b>Total current assets</b>		<b>12,873</b>	<b>10,824</b>
<b>Total Assets</b>		<b>12,873</b>	<b>13,865</b>
<b>Equity and liabilities</b>			
<b>Shareholder's fund</b>			
Equity Share Capital	8	50,000	50,000
Other Equity	9	(44,749)	(45,753)
<b>Total Equity</b>		<b>5,251</b>	<b>4,247</b>
<b>Non-current liabilities</b>			
<b>Financial Liabilities</b>			
Trade payables	10	-	-
-Total Outstanding dues of micro and small enterprise		-	-
-Total Outstanding dues of creditors other than micro and small enterprise		1,082	1,472
<b>Total non-current liabilities</b>		<b>1,082</b>	<b>1,472</b>
<b>Current liabilities</b>			
<b>Financial Liabilities</b>			
Trade payables	10	-	-
-Total Outstanding dues of micro and small enterprise		-	-
-Total Outstanding dues of creditors other than micro and small enterprise		5,682	-
-Other Payables		751	404
Other current liabilities	11	107	7,743
<b>Total current liabilities</b>		<b>6,540</b>	<b>8,146</b>
<b>Total Liabilities</b>		<b>7,621</b>	<b>9,618</b>
<b>Total equity and liabilities</b>		<b>12,873</b>	<b>13,865</b>
Summary of significant accounting policies	2		

The accompanying notes referred above form an integral part of the financial statements.

As per our report of even date attached

For Sonika Bansal & Co.  
 Chartered Accountants  
 Firm Registration No: 031329N



per Sonika Bansal  
 Proprietor  
 Membership No. : 099459

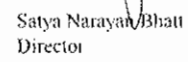


Place: Gurugram  
 Date: 20/10/2022

UDIN: 22099459BAMSCS9604

For and on behalf of the Board of Directors of  
 Spectra Punj Lloyd Limited

  
 Chambayil Koppal Santosh Raj  
 Director  
 DIN - 09188304

  
 Satya Narayan Bhatt  
 Director  
 DIN - 09537950



Spectra Punj Lloyd Limited  
 Standalone Statement of Profit and Loss for the period ended March 31, 2022  
 CIN No. - U51909DL1985PLC021607  
 (All amounts in INR Thousands, unless otherwise stated)

	Notes	Period ended March 31, 2022	Year ended March 31, 2021
<b>Income</b>			
Revenue from operations - Hire charges		77,241	5,632
Other income	12	-	1,104
<b>Total income</b>		<b>77,241</b>	<b>6,736</b>
<b>Expenses</b>			
Cost of components and spares consumed		290	-
Employee benefits expense	13	2,191	579
Depreciation and amortization expense	3	-	99
Finance costs	15	10	1
Operating and other expenses	14	73,746	66,858
<b>Total expenses</b>		<b>76,238</b>	<b>67,536</b>
<b>(Loss)/ Profit before tax</b>		<b>1,004</b>	<b>(60,800)</b>
<b>Tax expenses</b>			
Current tax expense		-	-
<b>Total tax expense</b>		<b>-</b>	<b>-</b>
<b>(Loss)/ Profit for the year</b>		<b>1,004</b>	<b>(60,800)</b>
<b>Other comprehensive income/ (loss)</b>			
Items that will not be reclassified subsequently to profit or loss:		-	-
Items that will be reclassified subsequently to profit or loss:		-	-
<b>Total comprehensive (loss)/ income for the year</b>		<b>1,004</b>	<b>(60,800)</b>
<b>Earnings per equity share</b>			
[nominal value per share Rs. 10 each (previous year Rs. 10 each)]			
Basic and diluted earning per share (in Rs.)	16	0.20	(12.16)
Summary of significant accounting policies	2		

The accompanying notes referred above form an integral part of the financial statements.

As per our report of even date attached

For Sonika Bansal & Co.  
 Chartered Accountants  
 Firm Registration No: 031329N



per Sonika Bansal  
 Proprietor  
 Membership No. : 099459




Place: Gurugram  
 Date: 20/10/2022

UDIN: 22099459BAMS CS9604

For and on behalf of the Board of Directors of  
 Spectra Punj Lloyd Limited

  
 Chambayil Koppat Santosh Raj  
 Director  
 DIN - 09188304

  
 Satya Narayan Bhatt  
 Director  
 DIN - 09537950



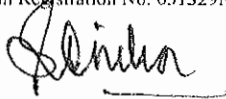


Spectra Punj Lloyd Limited  
 Standalone Cash flow statements for the period ended March 31, 2022  
 CIN No. - U51909DL1985PLC021607  
 (All amounts in INR Thousands, unless otherwise stated)

	Period ended March 31, 2022	Year ended March 31, 2021
<b>Cash flow from operating activities</b>		
Profit/ (loss) before tax	1,004	(60,800)
Non-cash adjustment to reconcile Profit/(loss) before tax to net cash flows		
Depreciation and amortization	-	99
Net Gain on sale of Property Plant & equipment	-	(270)
Bad debts written off	1,382	-
Allowance for Expected Credit Loss	-	17,718
Interest income	-	(5)
<b>Operating (loss)/ profit before working capital changes</b>	<b>2,386</b>	<b>(43,259)</b>
Movement in working capital:		
(Decrease) in trade payables	5,639	(100)
Increase/ (Decrease) in other current liabilities	(7,636)	7,355
Decrease in trade receivables	(7,883)	480
Decrease in inventories	-	-
Decrease/(Increase) in loans	-	5,490
Decrease in other loans and advances	1,352	4,394
<b>Cash generated from operations</b>	<b>(6,142)</b>	<b>(25,639)</b>
Direct taxes paid (net of refunds)	2,000	30,438
<b>Net cash flow from operating activities (A)</b>	<b>(4,141)</b>	<b>4,798</b>
<b>Cash flow from investing activities</b>		
Proceeds from disposal of Property Plant & equipment	-	270
Interest received	-	5
<b>Net cash flow from investing activities (B)</b>	<b>-</b>	<b>275</b>
<b>Cash flow from financing activities</b>		
Repayment of short term borrowings	-	-
<b>Net cash flow used in financing activities (C)</b>	<b>-</b>	<b>-</b>
<b>Net decrease in cash and cash equivalents (A+B+C)</b>	<b>(4,141)</b>	<b>5,074</b>
Cash and cash equivalents at the beginning of the year	5,726	653
<b>Cash and cash equivalents at the end of the year</b>	<b>1,586</b>	<b>5,726</b>
<b>Components of cash and cash equivalents</b>		
Cash on hand	17	17
<b>Balances with banks:</b>		
On current accounts	1,569	5,710
<b>Total cash and cash equivalents (also refer note 7)</b>	<b>1,586</b>	<b>5,726</b>

As per our report of even date attached

For Sonika Bansal & Co.  
 Chartered Accountants  
 Firm Registration No: 031329N




per Sonika Bansal  
 Proprietor  
 Membership No 099459



Place Gurugram  
 Date: 20/10/2022  
 UDIN: 22099459 BAMS CS 9604

For and on behalf of the Board of Directors of  
 Spectra Punj Lloyd Limited

  
 Chambayil Koppat Santosh Raj  
 Director  
 DIN - 09188304

  
 Satya Narayan Bhatt  
 Director  
 DIN - 09537950



Spectra Punj Lloyd Limited

Standalone statement of Changes in Equity for the period ended March 31, 2022

CIN No. - U51909DL1985PLC021607

(All amounts in INR Thousand, unless otherwise stated)

Description	Equity share capital	Reserves and Surplus		Total
		General Reserve	Retained earning	
Balance as at April 01, 2020	50,000	6,328	8,719	65,047
Profit/(Loss) for the year	-	-	(60,800)	(60,800)
<b>Balance as at March 31, 2021</b>	<b>50,000</b>	<b>6,328</b>	<b>(52,081)</b>	<b>4,247</b>
Profit/(Loss) for the year	-	-	1,005	1,005
<b>Balance as at March 31, 2022</b>	<b>50,000</b>	<b>6,328</b>	<b>(51,077)</b>	<b>5,251</b>

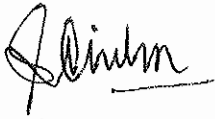
Summary of significant accounting policies

2

The accompanying notes referred above form an integral part of the financial statements.

As per our report of even date attached

For Sonika Bansal & Co.  
Chartered Accountants  
Firm Registration No: 031329N



per Sonika Bansal  
Proprietor  
Membership No. : 099459



Place: Gurugram  
Date: 20/10/2022

UDIN: 22099459BAMSCS9604

For and on behalf of the Board of Directors of  
Spectra Punj Lloyd Limited



Chambayil Koppat Santosh Raj  
Director  
DIN - 09188304



Satya Narayan Bhatt  
Director  
DIN - 09537950



The ratios for the years ended March 31, 2022 and March 31, 2021 are as follows:

Particulars	Numerator	Denominator	Year ended March 31, 2022	Year ended March 31, 2021	Variance (in %)	Reason
Current Ratio	Current Assets	Current Liabilities	1.38	0.75	85%	Increase in Current Asset and Decrease in Current Liabilities
Debt-Equity Ratio	Total Debts	Shareder's Equity	1.57	1.95	-20%	
Debt Service Coverage Ratio	Earnings available for debts services	Debts paid during the year	1.55	1.11	40%	Increase in EBITA as increased Hiring revenue
Return on Equity Ratio	Net profit after tax	Average shareholder's equity	0.10	0.08	30%	Increase in income due to increased Hiring revenue
Net capital turnover ratio	Revenue	Working capital	5.19	(5.66)	-192%	Increase in Working Capital
Net profit ratio **	Net profit	Revenue	0.19	0.13	47%	Increase in Net profit
Return on Capital employed	Earning before interest and taxes	Capital Employed	0.11	0.06	75%	Increase in EBIT

Note: Trade Receivables turnover ratio, Trade payables turnover ratio and Trade payables turnover ratio is not applicable



3 Property, Plant and Equipments

Particulars	Plant and equipment	Furniture and fixtures	Vehicles	Total
<b>Gross block at cost</b>				
At April 01, 2020	56,280	488	2,004	58,772
Additions during the year	-	-	-	-
Disposals	29,522	488	1,629	31,638
<b>At March 31, 2021</b>	<b>26,758</b>	<b>-</b>	<b>376</b>	<b>27,134</b>
Additions during the year	-	-	-	-
Disposals/ Discard	-	-	-	-
<b>At March 31, 2022</b>	<b>26,758</b>	<b>-</b>	<b>376</b>	<b>27,134</b>
<b>Accumulated Depreciation</b>				
At April 01, 2020	56,255	414	2,004	58,674
Charge for the year	25	74	-	99
Disposals	29,522	488	1,629	31,638
<b>At March 31, 2021</b>	<b>26,758</b>	<b>-</b>	<b>376</b>	<b>27,134</b>
Charge for the year	-	-	-	-
Disposals/ Discard	-	-	-	-
<b>At March 31, 2022</b>	<b>26,758</b>	<b>-</b>	<b>376</b>	<b>27,134</b>
<b>Net block</b>				
At March 31, 2021	-	-0	-	-0
At March 31, 2022	-	-	-	-

4 Others

Particulars	Long-term		Short-term	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
<b>Advance recoverable in cash or kind or for value to be received</b>				
Unsecured, considered good	-	-	2,226	2,151
	-	-	2,226	2,151
<b>Other loans and advances</b>				
Loans to employees	-	-	3	-
Balances with tax authorities	-	-	566	1,995
Value added tax / Sales tax recoverable	-	-	-	-
Minimum alternate tax credit entitlement	-	3,041	-	-
	-	3,041	569	1,995
	-	<b>3,041</b>	<b>2,795</b>	<b>4,147</b>

5 Loans

Particulars	Long-term		Short-term	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
<b>Security deposits</b>				
Unsecured, considered good	-	-	-	-
<b>Loans and advances to related parties</b>				
Unsecured, considered good	-	-	-	-
Less: Provision for doubtful debts	-	-	-	-
	-	-	-	-



6 Trade receivables

Particulars	Current		Non current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good	6,500	-	39,424	39,424
	<b>6,500</b>	<b>-</b>	<b>39,424</b>	<b>39,424</b>
Less: Allowance for Expected Credit Loss	-	-	(39,424)	(39,424)
	<b>6,500</b>	<b>-</b>	<b>-</b>	<b>0</b>

Trade Receivables ageing schedule

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	6,500					
(ii) Undisputed Trade receivables - considered doubtful						
(iii) Disputed Trade receivables - considered good						
(iv) Disputed Trade receivables - considered doubtful						

7 Cash and bank balances

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Cash and cash equivalents</b>		
Cash on hand	17	17
Balances with banks:		
On current accounts	1,569	5,710
	<b>1,586</b>	<b>5,726</b>
<b>Other bank balances</b>		
Margin money deposits	77	77
	<b>77</b>	<b>77</b>
	<b>1,663</b>	<b>5,803</b>



## 8 Equity

Particulars	As at	As at
	March 31, 2022	March 31, 2021
<b>Authorised shares</b>		
5,000 (previous year 5,000) equity shares of Rs. 10 each	50,000	50,000
<b>Issued, subscribed and fully paid-up shares</b>		
5,000 (previous year 5,000) equity shares of Rs. 10 each	50,000	50,000
	50,000	50,000

### (a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

#### Equity shares

Particulars	As at March 31, 2022		As at March 31, 2021	
	Nos.	Amount	Nos.	Amount
At the beginning of the year	5,000	50,000	5,000	50,000
Issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>5,000</b>	<b>50,000</b>	<b>5,000</b>	<b>50,000</b>

### (b) Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The holders of equity shares are entitled to dividend, if any, proposed by Board of Directors and approved by shareholders in Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

### (c) Shares held by holding company

Out of equity shares issued by the Company, shares held by its holding company and its nominees are as below:

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Punj Lloyd Limited (under CIRP)	50,000	50,000
5,000 (previous year 5,000) equity shares of Rs. 10 each		

### (d) Details of shareholders holding more than 5% of the equity share capital of the Company:

Name of Shareholder	As at March 31, 2022		As at March 31, 2021	
	Nos.	% of Holding	Nos.	% of Holding
Punj Lloyd Limited (under CIRP)	5,000	100%	5,000	100%

### (e) No bonus shares or shares issued for consideration other than cash or shares bought back over the last five years immediately preceding the reporting date.

## 9 Other Equity

Particulars	As at	As at
	March 31, 2022	March 31, 2021
<b>General reserve</b>	<b>6,328</b>	<b>6,328</b>
<b>Surplus/(deficit) in the statement of profit and loss</b>		
Balance as per last financial statements	(52,081)	8,719
(Loss)/Profit for the year	1,004	(60,800)
<b>Net (loss)/profit in the statement of profit and loss</b>	<b>(51,077)</b>	<b>(52,081)</b>
<b>Total reserves and surplus</b>	<b>(44,749)</b>	<b>(45,753)</b>



## 10 Trade payables

Particulars	Current		Non current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Total Outstanding dues of micro and small enterprise (refer note 19)	-	-	-	-
Total Outstanding dues of creditors other than micro and small enterprise	5,682	-	1,082	1,472
Other Payable	751	404	-	-
	<b>6,433</b>	<b>404</b>	<b>1,082</b>	<b>1,472</b>

## Trade payables ageing schedule as on 31st March 2022

Particulars	Outstanding for the following periods from due date of payment			
	Less than 1 year	1-2 years	2-3 years	Total
(I) MSME	-	-	-	-
(II) OTHERS	6,433	-	1,082	7,515
(III) Disputed dues- MSME	-	-	-	-
(IV) Disputed dues- OTHERS	-	-	-	-

## Trade payables ageing schedule as on 31st March 2021

Particulars	Outstanding for the following periods from due date of payment			
	Less than 1 year	1-2 years	2-3 years	Total
(I) MSME	-	-	-	-
(II) OTHERS	794	-	1,082	1,876
(III) Disputed dues- MSME	-	-	-	-
(IV) Disputed dues- OTHERS	-	-	-	-

## 11 Other liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Other liabilities</b>		
Others		
Tax deducted at source payable	107	94
Advances received from customers	-	1,621
Security Deposit payable	-	6,028
	<b>107</b>	<b>7,743</b>
	<b>107</b>	<b>7,743</b>



Spectra Punj Lloyd Limited  
Notes to standalone financial statements for the period ended March 31, 2022  
(All amounts in INR Thousand, unless otherwise stated)

12 Other income

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest income on Income Tax Refund	-	5
Unspent liabilities written back	-	829
Profit on sale of Property Plant & equipment (net)	-	270
	-	<b>1,104</b>

13 Employee benefit expenses

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salaries, wages and bonus	2,064	553
Contribution to provident fund	117	25
Staff welfare expenses	10	-
	<b>2,191</b>	<b>579</b>

14 Other expenses

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Freight and cartage	1	-
Hire charges	66,190	11,390
Rates and taxes	4	256
Diesel expenses	256	-
Insurance	325	-
Repairs and maintenance:		
Repair and maintenance	1,835	-
Payment to auditors (refer details below)	100	100
Consultancy and professional charges	552	248
Advances written off	-	37,146
Irrevocable balances written off	1,382	-
Exchange differences (net)	-	-
Mat Credit Written off	3,041	-
Allowance for Expected Credit Loss	-	17,718
Miscellaneous expenses	59	-
	<b>73,746</b>	<b>66,858</b>
Payment to auditors:		
As auditors:		
Audit fee	100	100
	<b>100</b>	<b>100</b>

15 Finance costs

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Bank charges	10	1
	<b>10</b>	<b>1</b>

16 Earnings per share

Basic and diluted earnings	March 31, 2022	March 31, 2021
a) Calculation of weighted average number of equity shares of Rs. 10 each		
Number of equity shares at the beginning of the year	5,000,000	5,000
Equity shares at the end of the year	5,000,000	5,000
Weighted average number of equity shares outstanding during the year	5,000,000	5,000
b) Net (loss)/profit after tax available for equity share holders	1,004,797	(60,800,390)
c) Basic and diluted (loss)/earnings per share	0.20	(12,160.08)
d) Nominal value of share (Rs.)	10	10





#### 17 Segment Reporting

The Company is in the business of hiring of equipment. This is the only activity performed and is thus also the main source of risks and returns. The Company has a single reportable segment which is reviewed by Chief Operating Decision Maker (CODM). Further, The Company does not have operations in economic environments with different risk and returns and operates within India. Hence, it is considered operating in single geographical segment.

#### Geographical Segment

The Company's operations are within India and does not operate in any other country and hence there are no geographical segments.

#### 18 Related party disclosures

##### Names of related parties and related party relationship

Related parties where control exists irrespective of whether transactions have occurred or not

Holding company Punj Lloyd Limited (under Liquidation)

##### Related parties with whom transactions have taken place during the year

Fellow subsidiaries Punj Lloyd Upstream Limited  
Punj Lloyd Aviation Limited  
Indraprastha Renewable Private Limited  
Sembawang Infrastructure India Pvt Ltd

##### Key Managerial Personnel

Rahul Maheshwari Director (upto 01 November 2021)  
Santosh Raj Director (w.e.f. 01 June 2021)  
Rajiv Kumar Jha Director (wef 01 November 2021)  
Harbinder Kumar Gulati Director (upto 03 Jun 2021)  
Gaurav Kapoor Director (upto 11 April 2022)  
Satya Narayan Bhatt Director (w.e.f. 11 April 2022)

##### Related party transactions

Particulars	Holding company		Fellow subsidiaries		Total	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
<b>Transactions During the Year</b>						
Punj Lloyd Upstream Limited			921		-	
Punj Lloyd Aviation Limited			325		-	
Indraprastha Renewable Private Limited			106		-	
Sembawang Infrastructure India Pvt Ltd	-	-	30	-	-	-

#### 19 Micro, small and medium enterprises

The Ministry of Micro, Small and Medium Enterprises (MSME) has issued an Office Memorandum dated August 26, 2008 which recommends that the micro and small enterprises should mention in their correspondences with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Based on the information available with the management, there are no amounts payable to micro and small enterprises as at March 31, 2022 (March 31, 2021: Nil).

#### 20 Cost of components and spares consumed

These comprise miscellaneous items meant for execution of contracts. Since these items are of different nature and specifications, it is not practicable to disclose the quantitative information in respect thereof.



21 Imported and indigenous components and spares consumed

Particulars	Amount		Percentage	
	2021-22	2020-21	2021-22	2020-21
Imported	-	-	-	-
Indigenous	290	-	100	-
	290	-	100	-

22 Fair value measurements

Set out below, is a comparison by class of the carrying amounts and fair values of the Company's financial instruments, other than those with carrying amounts that are reasonable approximation of fair value

Description	FVTPL	FVTOCI	Amortised Cost	Total
<b>Financial Assets not measured at FV</b>				
Cash and bank balances	-	-	1,663	1,663
Loans	-	-	-	-
Other current assets	-	-	-	-
Current tax receivable (net)	-	-	1,915	1,915
Other current assets	-	-	2,795	2,795
<b>Total</b>	-	-	<b>6,372</b>	<b>6,372</b>

The management assessed that cash and cash equivalents, trade payables, borrowings and other current liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair value.

Trade receivables and loans and advances recoverable from related parties are evaluated by the company based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

23 Financial risk management objectives and policies

Exposure to credit, interest rate, foreign currency risk and liquidity risk arises in the normal course of the Company's business. The Company has risk management policies which set out its overall business strategies, its tolerance or risk and its general risk management philosophy and has established processes to monitor and control the hedging of transactions in a timely and accurate manner. Such policies are reviewed by the management with sufficient regularity to ensure that the Company's policy guidelines are adhered to.

The management reviews and agrees policies for managing each of these risks, which are summarized below.

**Credit Risk**

Credit risk is the risk that counterparty will not meet its obligations under financial instrument or customer contract, leading to financial loss. The company is exposed to credit risk mainly from its operating activities i.e trade receivable.

With respect to credit risk arising from the other financial assets of the Group, which comprise cash and cash equivalents and other receivables (including related party balances), the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

Trade receivable : Customer credit risk is managed with the Companies established policy, procedures and control relating to customer credit risk management, such as the outstands from customer receivables are regularly monitored. As at March 31, 2021 the Company has no customers having outstanding of Rs. 1 crore or more.

The Company does not hold collateral as security against these receivables, however it evaluates the concentration of risk with respect to trade receivables as low, as the customers operate in largely independent market.

**Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in the market price. The only financial instruments affected by market risk is bank borrowings.

**Interest rate risk**

Interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in the market interest rate. The Company's exposure to the risk of changes in market interest rates related primarily to the Companies long term debt obligation with floating interest rate. As on March 31, 2021 the Company has no borrowing at floating interest rate.



24 Capital Management

For the purpose of the company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the parent. The primary objective of the company's capital management is to maximise the shareholders value.

The company manages its capital structure and makes adjustment in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The company monitors capital using a gearing ratio, which is net debts divided by total capital plus net debt. The company policy is to keep the gearing ratio between 80% and 100%. The company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

	Mar-22	Mar-21
Trade payables	1,082	1,472
Other Payables	107	7,743
Less:		
Cash and cash equivalents	(1,663)	(5,803)
<b>Net Debts</b>	<b>(474)</b>	<b>3,411</b>
Equity	5,251	4,247
Capital & net debts	4,777	7,658
Gearing Ratio	-10%	45%

25 There are no contingent liabilities and capital commitments as at March 31, 2022 (previous year: Nil)

As per our report of even date attached

For Sonika Bansal & Co.  
Chartered Accountants  
Firm Registration No: 031329N

per Sonika Bansal  
Proprietor  
Membership No. : 099459



Place: Gurugram  
Date: 20/10/2022  
UDIN: 22099459BAMS CS 9604

For and on behalf of the Board of Directors of  
Spectra Punj Lloyd Limited

Chambayil Koppal Santosh Raj  
Director  
DIN - 09188304

Satya Narayan Bhatt  
Director  
DIN - 09537950



# Spectra Punj Lloyd Limited

Standalone notes to financial statements for the year ended March 31, 2022

## 1. Corporate Information

Spectra Punj Lloyd Limited (the Company) is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is a wholly owned subsidiary of Punj Lloyd Limited (under Liquidation) and is primarily engaged in the business of giving equipments on hire basis.

Corporate Insolvency Resolution Process (CIRP) for Punj Lloyd Limited (The Holding Company) under the insolvency and bankruptcy code, 2016 (IBC) has commenced with effect from March 08, 2019. Mr. Gaurav Gupta, Interim Resolution Professional (IRP) was appointed by Hon'ble National Law Tribunal (NCLT), Principal Bench, New Delhi vide its order dated March 08, 2019. Subsequently NCLT vide its order CA-971(PB)/2019 dated May 22, 2019 has appointed Mr. Ashwini Mehra as Resolution Professional (RP) and have taken over from IRP on May 27, 2019. Under CIRP, the powers of the Board of Directors of ultimate holding Company stand suspended. During the COC meeting held on March 30, 2021 in terms of Regulation 19 of IBC, the RP informed that the resolution plan which was put to E-vote under Corporate Insolvency Resolution Process of the Holding Company has not been approved by the COC members. Accordingly, the Holding Company is headed towards liquidation, and the COC members have recommended liquidation of the Holding Company as a going concern and that they will also simultaneously consider a scheme of arrangement under section 230 of the Companies Act, 2013, if any is presented. Necessary application in this regard has been filed by the RP with Hon'ble NCLT which has been accepted by the NCLT. Accordingly vide order dated 27th May, 2022, NCLT has ordered for the liquidation of Punj Lloyd Limited as a going concern and appointed Mr. Ashwini Mehra as the Liquidator.

## 2. Significant accounting policies

### (a). Basis of preparation

#### (i) Statement of Compliance

Standalone Ind-AS Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and relevant provisions of the Companies Act, 2013.

Accordingly, the Company has prepared these Standalone Financial Statements which comprise the Balance Sheet as at 31 March, 2022, the Statement of Profit and Loss for the year ended 31 March 2022, the Statement of Cash Flows for the year ended 31 March 2022 and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as 'Standalone Ind-AS Financial Statements').

These Standalone Ind-AS Financial Statements are approved for issue by the Board of Directors on October 20, 2022.

#### (ii) Basis of preparation of financial statements

These Standalone Ind-AS Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on an accrual basis as per provisions of the Companies Act, 2013 ("the Act"), except for:

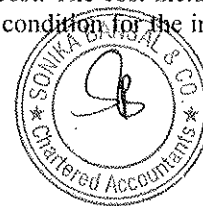
- certain financial assets and liabilities (including derivative instruments) that are measured at fair value;
- certain items of property, plant and equipments which have been fair valued on the transition date

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

The Standalone Ind-AS Financial Statements have been presented in Indian Rupees (INR), which is the Company's functional currency, unless otherwise stated.

### b). Property, plant and equipment

Property, plant and equipment, excluding freehold land, but including capital work-in-progress are stated at cost, less accumulated depreciation and impairment losses, if any. Freehold land is carried at historical cost. The cost includes the purchase price and expenditure that is directly attributable to bringing the asset to its working condition for the intended use.



## Spectra Punj Lloyd Limited

Standalone notes to financial statements for the year ended March 31, 2022

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, 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. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repair and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred.

The Company adjusts exchange differences arising on translation/settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset. In accordance with Ministry of Corporate Affairs ("MCA") circular dated August 09, 2012, exchange differences adjusted to the cost of tangible assets are total differences, arising on long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset, for the period. In other words, the Company does not differentiate between exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange differences.

Depreciation method, estimated useful lives and de-recognition

Depreciation is calculated using the straight-line method to allocate the cost, net of the residual values, over the estimated useful lives as follows:

Asset Description	Useful lives (years)
Plant and equipment	3 – 20
Furniture and fixtures, office equipments and tools	3 – 20
Vehicles	3 – 10

The property, plant and equipment acquired under finance leases, including assets acquired under sale and lease back transactions, is depreciated over the shorter of the asset's useful life and the lease term, if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use thereof. Any gain or loss arising on de-recognition of the assets, measured as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in the statement of profit and loss when the asset is derecognized.

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

### (c) Intangible assets

Intangible assets are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and impairment losses, if any.

Development expenditures are recognized as an intangible asset when the Company is able to demonstrate:

- the technical feasibility of completing the intangible asset so that the asset will be available for use
- its intention to complete and its ability and intention to use or sell the asset
- how the asset will generate future economic benefits
- the availability of resources to complete the asset
- the ability to measure reliably the expenditure during development

The Company amortizes intangible assets with finite lives using the straight-line method over the period of licenses or based on the nature and estimated useful economic life, i.e., six years, whichever is lower.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

The amortization period and the method is reviewed at each financial year end and adjusted prospectively.



**Spectra Punj Lloyd Limited**  
**Standalone notes to financial statements for the year ended March 31, 2022**

**(d) Impairment of non-financial assets**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's CGU to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/ forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries or countries in which the Company operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been, had no impairment loss been recognized. Such reversal is recognized in the statement of profit and loss.

**(e) Inventories**

Project materials are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the materials to their present location and condition. Cost is determined on weighted average basis.

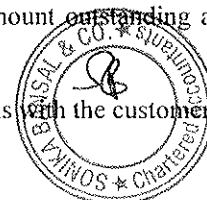
Scrap is valued at net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

**(f) Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are exclusive of taxes or duties collected on behalf of third parties. The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that the economic benefits will flow to the Company and specific criteria, as described below, are met for each of the Company's activities.

- Revenue is recognized to the extent that it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured.
- Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.
- Revenue from hire charges is accounted for in accordance with the terms of agreements with the customers.



**(g) Borrowing costs**

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that are incurred in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

**(h) Foreign currencies**

i). Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian Rupee (INR), which is Company's functional and presentation currency.

ii). Transaction and balances

Transactions in foreign currencies are initially recorded in the functional currency using the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences resulting from the settlement or translation of such transactions are generally recognized in profit or loss, except the following:

a. Exchange differences are deferred in equity if they are attributable to part of the net investment in a foreign operation. They are recognized initially in other comprehensive income (OCI) and reclassified to statement of profit and loss on disposal of the net investment, as part of gain or loss on disposal.

b. Exchange differences arising on long-term foreign currency monetary items (recognized upto 31 March 2016), related to acquisition of a depreciable asset are capitalized and depreciated over the remaining useful life of the asset.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

iii). Translation of foreign operations

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities are translated at the closing rate of exchange at the reporting date,
- Income and expenses are translated at quarterly average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transaction), and
- All resulting exchange differences are recognized in OCI.

On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognized in profit or loss.

Cumulative currency translation differences for all foreign operations are deemed to be zero at the date of transition, i.e. 01 April 2015. Gain or loss on a subsequent disposal of any foreign operation excludes translation differences that arose before the date of transition but comprises only translation differences arising after the transition date.



**(i) Financial instruments**

Financial Instruments (assets and liabilities) are recognized when the Company becomes a party to a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**Initial recognition and measurement**

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, other than those designated as fair value through profit or loss (FVTPL), are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in statement of profit and loss.

**a. Financial assets**

**(i). Subsequent measurement**

Subsequent measurement depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its financial assets.

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost using the Effective Interest Rate (EIR) method. The EIR amortisation is included in other income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss.
- **Fair value through other comprehensive income (FVTOCI):** The Company has investments which are not held for trading. The Company has elected an irrevocable option to present the subsequent changes in fair values of such investments in other comprehensive income. Amounts recognized in OCI are not subsequently reclassified to the statement of profit and loss.
- **Fair value through profit and loss (FVTPL):** FVTPL is a residual category for financial assets in the nature of debt instruments. Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss. This category also includes derivative financial instruments, if any, entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

**(ii). Impairment of financial assets**

The Company applies Ind AS 109 for recognizing impairment losses using Expected Credit Loss (ECL) model. Impairment is recognized for all financial assets subsequent to initial recognition, other than financial assets in FVTPL category. The impairment losses and reversals are recognized in statement of profit and loss.

**(iii). De-recognition**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or the same are transferred.

**b. Financial liabilities**

**(i). Subsequent measurement**

There are two measurement categories into which the Company classifies its financial liabilities.

- **Amortised cost:** After initial recognition, interest-bearing borrowings and other payables are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.





- **Financial liabilities at FVTPL:** Financial liabilities are classified as FVTPL when the financial liabilities are held for trading or are designated as FVTPL on initial recognition. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the profit or loss.

**(ii). De-recognition**

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires.

**c. Offsetting financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

**(j) Fair value measurement**

The fair value of an asset or liability is measured using the assumption that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

Level 1 – Where fair value is based on quoted prices from active market.

Level 2 – Where fair value is based on significant direct or indirect observable market inputs.

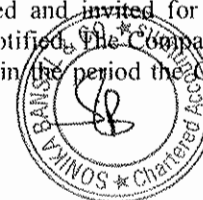
Level 3 – Where fair value is based on one or more significant input that is not based on observable market data.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfer is required between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) (a) on the date of the event or change in circumstances or (b) at the end of each reporting period.

**(k) Employee benefits**

- i. The Company makes contribution to statutory provident fund and pension funds in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952 which is a defined contribution plan. The Company has no obligation, other than the contribution payable to respective funds. The Company recognizes contribution payable to respective funds as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.
- ii. Gratuity and accumulated leave balance payable to the employees is provided on actual basis as at the close of the accounting year.

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment received Indian parliament approval and Presidential assent in September 2020. The code has been published in the Gazette of India and subsequently on November 13, 2020 draft rules were published and invited for stakeholders' suggestions. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.



## Spectra Punj Lloyd Limited

Standalone notes to financial statements for the year ended March 31, 2022

### (l) Income taxes

Income tax comprises current income tax and deferred tax. The income tax expense or credit for the year is the tax payable on the current year's taxable income, based on the applicable income tax rate for each jurisdiction where the Company operates, adjusted by changes in deferred tax assets and liabilities attributed to temporary differences and to unused tax losses.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities, using the tax rates and tax laws that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generate taxable income.

Deferred tax is provided using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates and tax laws that have been enacted or substantively enacted by the end of reporting period and are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses, only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are offset if a legally enforceable right exists to set-off current tax assets against liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in the statement of profit or loss, except to the extent that it relates to items recognized in OCI or directly in equity. In this case, the tax is recognized in OCI or directly in equity, respectively.

### (m) Segment reporting

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

### (n) Earnings per share

Basic earnings per share is calculated by dividing the profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the financial year, adjusted for the events such as bonus issue, share split or otherwise that have changed the number of equity shares outstanding without a corresponding change in resources.

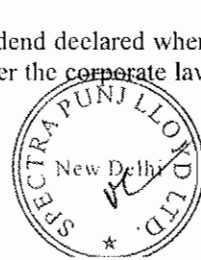
For the purpose of calculating diluted earnings per share, the profit or loss attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

### (o) Cash and cash equivalents

Cash and cash equivalents, for the purposes of cash flow statement, comprise cash on hand, demand deposits, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### (p) Dividends

The Company recognized a liability for the amount of any dividend declared when the distribution is authorized and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders.



**(q) Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. A disclosure is made for a contingent liability when there is a:

- a). possible obligation, the existence of which will be confirmed by the occurrence/non-occurrence of one or more uncertain events, not fully within the control of the Company;
- b). present obligation, where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation;
- c). present obligation, where a reliable estimate cannot be made.

**(r) Provisions**

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

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

**(s) Operating cycle**

The operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents and the management considers this to be the project period.

**(t) Measurement of EBITDA**

As permitted by the Guidance Note on the Division II of Schedule III to the Companies Act, 2013, the Company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. In its measurement, the Company does not include depreciation and amortization expense, finance costs and tax expense.

**(u) Current and Non-Current Classification:**

The Company presents assets and liabilities in the Balance Sheet based on Current/Non-Current classification.

An Asset is classified as Current when it is –

- Expected to be realized or intended for sale or consumption in, the Company's normal operating cycle;
- Held primarily for the purpose of trading;

All other assets are classified as non-current.

A liability is classified as current when it is:

- Expected to be settled in normal operating cycle;
- Held primarily for the purpose of trading.
- It is due to be settled within 12 months after the reporting date; or the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

All other liabilities are classified as non-current.

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



**(aa). Trade and other payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortised cost using the effective interest method.

**Significant accounting judgments, estimates and assumptions:**

The preparation of financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future period.

**Critical estimates and judgments**

In applying the accounting policies, following are the items/ areas that involved a higher degree of judgment or complexity and which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

**Impairment of financial assets:**

The Company basis the impairment provisions for financial assets on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculations, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

**Impairment of non-financial assets:**

Non-financial assets are reviewed for impairment, whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). The recoverable amount is sensitive to inputs like discount rate, expected future cash-inflows and growth rate used for extrapolation purposes.

**Taxes:**

Deferred tax assets are recognized for unused tax losses and unabsorbed depreciation to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax asset that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company neither has any taxable temporary difference nor any tax planning opportunities available that could support the recognition of unused tax losses and unabsorbed depreciation as deferred tax assets. On this basis, the Company has accounted for deferred tax assets on temporary differences, including unabsorbed depreciation and business losses, for which it is reasonably certain that future taxable income would be generated.

**Recoverability of Trade Receivables:**

Judgments are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.



## Spectra Punj Lloyd Limited

Standalone notes to financial statements for the year ended March 31, 2022

### Allowance for credit losses on receivables and unbilled revenue

The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries the Company deals with and the countries where it operates. In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic relating to COVID-19.

### Global Health Pandemic on COVID19:

The Company has assessed the possible impact of COVID-19 on its financial statements based on the internal and external information available up to the date of approval of the financial statements and necessary adjustments has been considered in these financial statements. The Company continues to monitor the future economic conditions.

### Recent accounting pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from 1<sup>st</sup> April, 2022. MCA issued notifications dated 24<sup>th</sup> March 2022 to amend Schedule III to the Companies Act, 2013 to enhance the disclosures required to be made by the Company in its financial statements. These amendments are applicable to the Company for the financial year starting 1<sup>st</sup> April, 2022.

