

# ANNUAL REPORT 2025



**DESCO  
INFRATECH  
LIMITED**

# INDEX



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# CORPORATE INFORMATION

## Board of Directors

### Mr. Pankaj Pruthu Desai

Chairman and Managing Director

### Mr. Malhar P Desai

Promoter and Whole-time Director

### Mr. Samarth Pankaj Desai

Promoter and Executive Director

### Mr. Amulya Jena

Executive Director

### Mr. Kaushal Rangoonwala

Independent Director

### Mr. Mahendra Sabarsinh Gusain

Independent Director

### Mr. Anand Jayramkrishnan

Independent Director

### Mrs. Anita Digbijay Paul

Independent Director

### Mrs. Hina Desai

Promoter and Director

(Resigned w.e.f July 31, 2024)

### Mrs. Indiraben Desai

Promoter and Director

(Resigned w.e.f June 07, 2024)

## Chief Financial Officer

### Mr. Rushabh Atul Mashkaria

(Appointed w.e.f June 16, 2025)

## Company Secretary & Compliance Officer

### Ms. Muskan Omprakash Khandal

(Appointed w.e.f April 9, 2025)

## Registered Office

A-703, Swastik Universal, Next to Valentine Cinema,  
Dumas Road, Umra, Surat, Gujarat-395007

## Corporate Office

A-701, Swastik Universal, Next to Valentine Cinema,  
Dumas Road, Umra, Surat, Gujarat-395007

## Statutory Auditors

### M/s K A Sanghavi & Co LLP

Chartered Accountants, Surat

## Internal Auditors

### M/s Kanchan Agarwal and Associates

Chartered Accountants, Surat

## Secretarial Auditors

### M/s M. D. Baid & Associates

Practicing Company Secretaries, Surat

## Registrars & Share Transfer Agents

### M/s Bigshare Services Private Limited

Reg. Office: Office No. S6-2, 6th Floor, Pinnacle Business  
Park, Next to Ahura Centre, Mahakali Caves Road, Andheri  
East, Mumbai - 400093, Maharashtra.

Tel. No.: 91-22-62638200

Email: [ipo@bigshareonline.com](mailto:ipo@bigshareonline.com)

Website: [www.bigshareonline.com](http://www.bigshareonline.com)

## Contact Information

Contact No :- +91-261-4501819

Email- [investors@descoinfra.co.in](mailto:investors@descoinfra.co.in)

Website: <https://descoinfra.co.in>

## COMMITTEES OF THE BOARD

### Audit Committee

Mr. Kaushal Rangoonwala	Mr. Anand Jayramkrishnan	Mr. Malhar P Desai	- Chairman	- Member	- Member
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### Stakeholders' Relationship Committee

Mr. Mahendra Sabarsinh Gusain	Mr. Samarth Pankaj Desai	Mr. Pankaj Pruthu Desai	- Chairman	- Member	- Member
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### Nomination & Remuneration Committee

Mr. Kaushal Rangoonwala	Mr. Mahendra Sabarsinh Gusain	Mrs. Anita Digbijay Paul	- Chairman	- Member	- Member
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### Corporate Social Responsibility Committee

Mr. Malhar P Desai	Mr. Kaushal Rangoonwala	Mr. Samarth Pankaj Desai	- Chairman	- Member	- Member
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## Corporate Overview – Desco Infratech Limited

Founded in 2011 and headquartered in Surat, Gujarat, Desco Infratech Limited has grown into one of India's most trusted names in the infrastructure and energy services sector. What began as *Desco Infratech Private Limited* has, over the years, transformed into a diversified infrastructure company, today serving as a key enabler in the City Gas Distribution (CGD), Water Infrastructure, Renewable Energy, and Power Distribution domains. In July 2024, the company transitioned into a public limited entity, paving the way for its listing on the BSE SME Platform in April 2025, which was met with overwhelming investor confidence and emerged as the highest-bid IPO of Q4 FY25.



## Legacy & Experience

With an accumulative industry experience of more than 34 years under the guidance of our Chairman & Managing Director, Mr. Pankaj Pruthu Desai, Desco has consistently delivered projects of scale and importance across India. Our strong foundation, coupled with a legacy of timely execution, safety, and quality delivery, has helped us become one of the oldest and most reliable players in the City Gas Distribution sector.

Our journey has been marked by strategic expansion across 18+ clients, including major Public Sector Undertakings (PSUs). This growing portfolio is a testament to our ability to not only deliver complex projects but also to build long-standing relationships based on trust and performance.



## Strong Industry Contribution & Reputation

Over the years, Desco has earned a reputation for being a dependable partner in building India's energy and utility backbone. From laying MDPE and steel pipelines for natural gas to executing high-quality EPC contracts in water and renewable energy projects, our contribution spans multiple sectors of national importance.

We were recognised by Industry Outlook Magazine in 2023 as one of the Top 10 Service Providers for the Oil & Gas Sector, a validation of our leadership in safety, compliance, and execution. Further, awards from clients like Adani Total Gas Limited and GAIL Gas Limited stand as testimony to our adherence to operational excellence, HSE standards, and timely delivery.



## Diversification & New Ventures

While CGD remains the backbone of our operations, Desco has strategically diversified into new growth areas:

- ▶ Renewable Energy – execution of projects such as the Adani Green Energy Hybrid Park in Gujarat, showcasing our alignment with India's clean energy transition.
- ▶ Water Infrastructure – participation in flagship initiatives like the Jal Jeevan Mission in Jhabua, Madhya Pradesh, including HDPE piping, overhead tanks, and open-well construction.
- ▶ Power Distribution – expanding into installation of LT/HT power systems and related distribution networks.

This cross-sector diversification ensures that Desco remains resilient to market cycles and well-positioned to capture opportunities in India's infrastructure growth story.



## Market Recognition & Listing Achievement

One of the most significant milestones in our journey has been our listing on the BSE SME Platform in April 2025. The IPO witnessed one of the highest subscription levels of Q4 FY25, highlighting the confidence that investors place in our business model and growth trajectory. This listing not only enhanced our financial strength but also provided us the visibility and credibility to bid for larger projects—2 to 3 times bigger than before.

Additionally, Desco has been nominated for India's 5,000 Best MSME Awards for excellence in quality, further validating our market standing and operational standards.



## Operational Scale & Order Book Strength

Today, Desco commands an order book exceeding Rs. 330 crores, comprising Rs. 307.13 crores in EPC contracts and Rs. 26.38 crores in O&M projects, with an average execution cycle of 18–24 months. With a healthy conversion ratio of 30–40%, this pipeline reflects robust demand and offers strong revenue visibility for the future.

Recent financial achievements underscore our operational momentum— Rs. 22.63 crores sales in H1 FY25 and Rs. 23.31 crores in Q1 FY25 alone, surpassing half-yearly sales in a single quarter. This demonstrates strong market demand, efficient project execution, and the company's ability to scale rapidly.



## Commitment to Quality & Sustainability

Desco operates under the guiding principles of safety, health, and environment (SHE) compliance. As an ISO 9001:2015 certified company, we maintain stringent quality standards through daily tool-box talks, regular audits, and systematic compliance. Our commitment to sustainability is reflected not only in our participation in clean energy and water infrastructure projects but also in our continuous investment in workforce welfare and skill development.



## Vision for the Future

At Desco Infratech, we envision a future where infrastructure meets sustainability and progress aligns with community welfare. With innovation, efficiency, and safety at the core of our operations, we are committed to building projects that fuel economic growth while enabling national priorities such as energy access, renewable adoption, and water security.

As we continue to expand, we remain dedicated to being a partner of choice for governments, industries, and communities—delivering infrastructure that powers communities, empowers industries, and fuels the nation's growth.

## DESCO INFRA TECH LIMITED – BUSINESS SEGMENTS

Desco Infratech Limited operates as a diversified infrastructure company, with a balanced portfolio across energy, utilities, and sustainable infrastructure projects. With expertise built over more than a decade and supported by a leadership team with over 34 years of industry experience, Desco's business is structured into multiple verticals that address some of the most critical infrastructure needs of India.

Our projects span across 18+ clients including major PSUs, reflecting our PAN-India presence and industry trust. Each business segment is supported by our proven track record of safety, quality, and timely execution.

### City Gas Distribution (CGD) Projects

City Gas Distribution has been at the heart of Desco's journey since inception. With India's rapid push towards a cleaner energy future, Desco has emerged as a key partner for leading CGD companies and PSUs in executing projects that bring natural gas to millions of households, businesses, and industries.

Our CGD expertise includes:

- 1

**Piped Natural Gas (PNG) connectivity for residential, commercial, and industrial users, including last-mile connectivity jobs.**


- 2

**Laying of MDPE and steel pipelines with associated works for safe and efficient gas distribution.**


- 3

**Leak detection, pressure testing, and O&M (Operations & Maintenance) services to ensure reliability and safety of gas networks.**


- 4

**GI piping solutions and provision of third-party manpower supply to support client operations.**



Beyond PSUs, Desco maintains deep, multi-year partnerships with private and joint-venture energy leaders including Adani Total Gas Limited, Adani Renewables, Torrent Power, Torrent Gas, Gujarat Gas, IRM Energy, Think Gas, Bhagyanagar Gas Limited (BGL), IndianOil-Adani Gas Pvt. Ltd. (IOAG), KSPPL (a BPCL-IOCL JV), Luthra Group, AMNEX, Haryana City Gas (HCG), Aavantika Gas Limited (AGL), and Selan Exploration Technology Limited. Delivering complex projects for these clients across CGD networks, pipelines, renewables, and O&M has expanded our geographic reach and reinforced our execution credentials. Our uncompromising adherence to Health, Safety & Environment (HSE) protocols—reflected in repeated partner commendations and awards—underpins reliable, compliant delivery on every project.

## Water Infrastructure Projects

Recognising the national priority of clean and reliable water supply, Desco has diversified into Water Infrastructure, contributing to flagship government missions such as Jal Jeevan Mission.

Key capabilities include:

- 1

Construction of overhead tanks, sump wells, and open wells, designed to ensure long-term reliability.


- 2

HDPE and DI pipeline laying, executed with precision and compliance to industry standards.


- 3

Effluent chamber construction and related works to support wastewater management.



In 2024, Desco secured a major water infrastructure project in Jhabua, Madhya Pradesh, under the Jal Jeevan Mission, which included HDPE piping, overhead tanks, and well construction—demonstrating our ability to contribute meaningfully to community-centric projects.

## Renewable Energy Projects

With the global shift towards clean energy, Desco has strategically strengthened its presence in Renewable Energy, particularly in solar infrastructure.

Our expertise includes:

- 1

Erection of solar module structures, ensuring precise alignment and durability.


- 2

RCC pile foundations and commissioning of solar units, enabling large-scale deployment of renewable assets.



A landmark project was our participation in the Gujarat Hybrid Renewable Energy Park with Adani Green Energy Six Limited in 2024, one of the largest renewable energy developments in India. This diversification underscores our alignment with India's clean energy transition and sustainability goals.

## Power Distribution Projects

To broaden our presence in India's energy value chain, Desco has entered the Power Distribution sector. This expansion reflects our intent to contribute to India's growing demand for reliable electricity infrastructure.

Our services cover:

- 1

Installation, erection, and commissioning of HT/LT poles, ensuring efficient transmission and distribution


- 2

Optical Fiber Cable (OFC) and Double-Walled Corrugated (DWC) cable laying, supporting both electricity and smart utility projects.


- 3

Related electrical works, executed with adherence to quality and safety benchmarks.



This new vertical strengthens our cross-sector capability and positions us to play a larger role in India's energy access mission.

## Additional Fabrication Services

Desco has expanded into fabrication services, leveraging its technical expertise to deliver solutions for both utility and industrial clients.

Our offerings include:

- 1

Utility pipeline fabrication – MS, CS, GI, HDPE, MDPE pipelines tailored for diverse applications.


- 2

Structural fabrication – including plant sheds, parking sheds, cable trays, and other industrial structures.



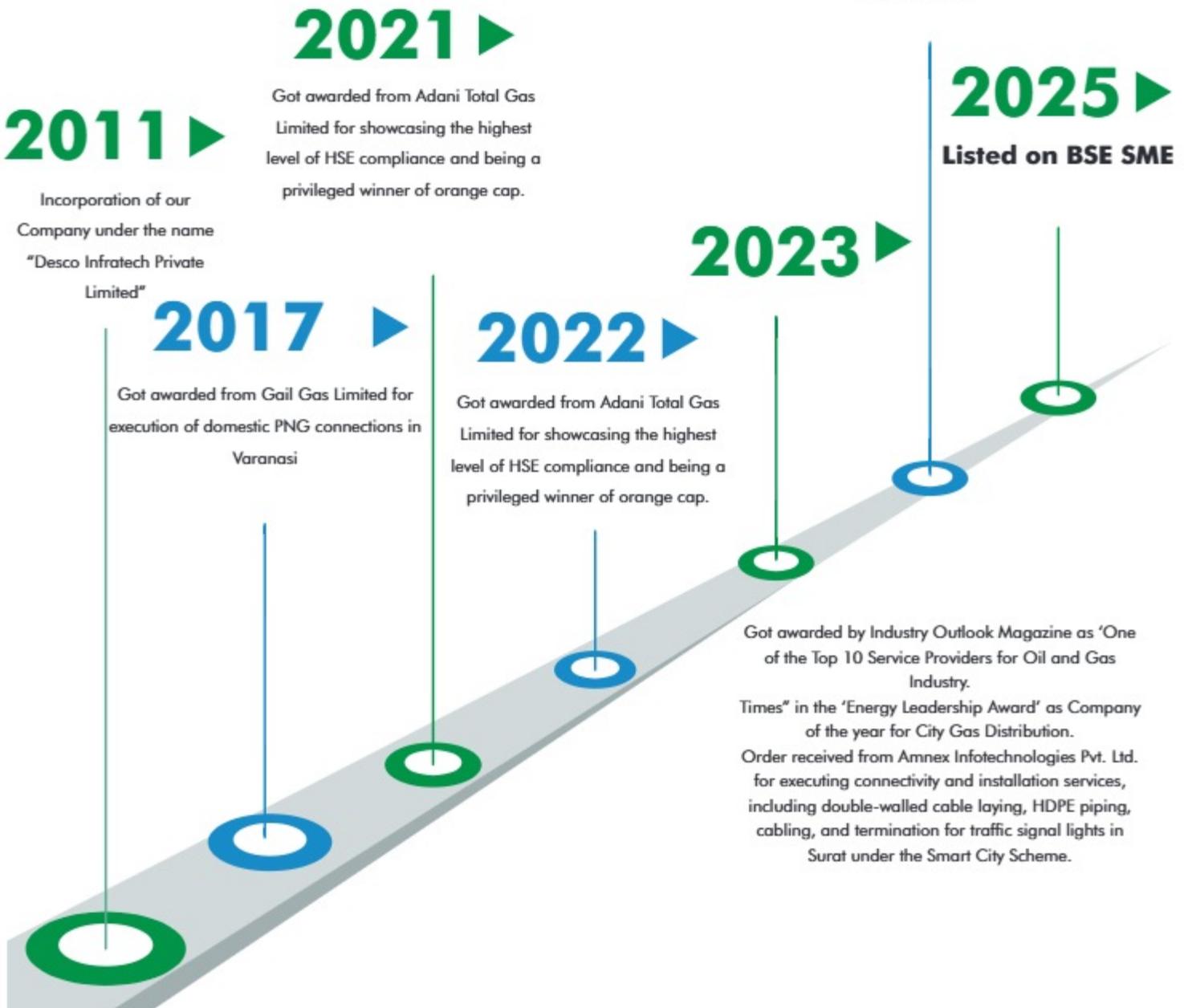
This business segment complements our core infrastructure services and ensures we can provide end-to-end project solutions under a single umbrella.

## Competitive Edge Across Segments

What sets Desco apart across these segments is our proven safety systems (daily tool-box talks, audits, and strict compliance), our track record of on-time project completion, and our commitment to sustainability and workforce welfare. This operational discipline, combined with our diversified project portfolio, ensures resilience and consistent growth.



### COMPANY MILESTONES



## LISTING CEREMONY

On April 1, 2025, Desco Infratech Limited was successfully listed on the Bombay Stock Exchange SME platform—marking a pivotal step in our growth journey. The IPO received an overwhelming response, with an overall subscription of 83.75 times and a listing premium of 6.67%. This milestone enhances our market visibility, strengthens governance, and enables strategic capital deployment toward infrastructure expansion, including a new corporate office in Surat, machinery upgrades, and working capital support. Our listing reflects investor confidence and reinforces our commitment to long-term value creation for all stakeholders.



## STRATEGIC MILESTONES

### 2011–2016: Foundation & Early Growth

- ▶ Incorporated as Desco Infratech Pvt. Ltd., entering the City Gas Distribution sector.
- ▶ Established operational capabilities in pipeline infrastructure and domestic PNG connections.

### 2017–2020: Recognition & Expansion

- ▶ Awarded by GAIL Gas Limited for successful execution of PNG connections in Varanasi.
- ▶ Expanded services to include Operation & Maintenance (O&M) for CGD networks.

### 2021–2022: Safety Leadership

- ▶ Recognized by Adani Total Gas Limited for exemplary HSE compliance; awarded the prestigious Orange Cap.
- ▶ Reaffirmed safety excellence with repeat recognition from Adani Total Gas.

### 2023: Industry Accolades & Diversification

- ▶ Featured in Industry Outlook Magazine as one of the Top 10 Oil & Gas Service Providers.
- ▶ Received the Energy Leadership Award as Company of the Year in City Gas Distribution.
- ▶ Secured Smart City infrastructure projects in Surat, including HDPE piping and traffic signal termination.

### 2024: Renewable Energy & Water Infrastructure

- ▶ Awarded a strategic project by Adani Green Energy Six Ltd. at the Gujarat Hybrid Renewable Energy Park.
- ▶ Secured a major contract under Jal Jeevan Mission in Jhabua, MP, involving HDPE piping, overhead tanks, and open well construction.
- ▶ Nominated for India's 5,000 Best MSME Awards for quality excellence.

### 2025: Market Leadership & Financial Strength

- ▶ Successfully listed on BSE SME on April 1, 2025, emerging as the highest-bid IPO of Q4.
- ▶ Achieved robust sales growth with ₹22.63 crores in H1 FY25 and ₹23.31 crores in Q1 FY25, reflecting strong market momentum.

- ▶ Significantly increased bid capacity, now confidently bidding for projects worth Rs. 50 crores and above, compared to much lower thresholds in previous years.
- ▶ Delivered a 72% rise in ready-for-connection units over FY24, showcasing accelerated progress in network rollout and last-mile connectivity.
- ▶ Recorded a 64% growth in Piped Natural Gas (PNG) conversions, enhancing customer reach and deepening domestic market penetration.

Established in 2011, Desco Infratech Limited (formerly Desco Infratech Pvt. Ltd.) has evolved into a nationally recognized infrastructure company with a core focus on City Gas Distribution (CGD), Renewable Energy, Water Supply, and Power Infrastructure. Headquartered in Surat, Gujarat, Desco has expanded its footprint across 55+ cities in 14 states, delivering high-impact projects that support India's energy transition, urban development, and sustainability goals.

As an ISO 9001:2015 certified organization, Desco is committed to quality, safety, and innovation. Our journey from a regional contractor to a publicly listed company on the BSE SME platform reflects our strategic growth, operational excellence, and unwavering commitment to nation-building.

## MISSION STATEMENT

Our mission is to provide best-in-class services in oil and gas pipeline infrastructure and allied sectors. We are deeply committed to:



## VISION STATEMENT

Desco Infratech envisions becoming a benchmark of excellence in the energy and utilities sectors. Our vision is anchored in:



## CORE VALUES

Our values are the foundation of our culture and guide every decision we make:





## **CHAIRMAN'S MESSAGE**

**towards shareholders –**

**Mr. Pankaj Pruthi Desai**

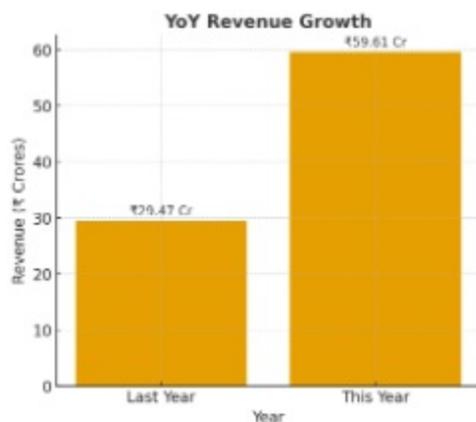


Dear Shareholders,

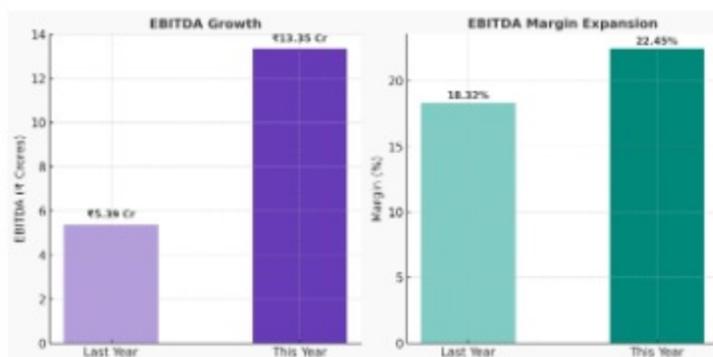
It is with immense gratitude and humility that I present to you this Chairman's Message at a defining juncture in our company's journey. The successful listing of Desco Infratech Limited on the BSE SME Platform in April 2025 marked not only a Financial milestone but also a significant validation of the trust reposed in us by investors, customers, and stakeholders. The overwhelming response we received from the market has further strengthened our resolve to build enduring value, scale new heights, and reaffirm our mission of creating sustainable infrastructure for India's growth.

## PERFORMANCE HIGHLIGHTS OF FY25

The year FY25 was transformative for Desco. We delivered strong financial and operational results, reflecting both the resilience of our business model and the dedication of our team.



Revenue grew by 102.25% YoY, reaching Rs. 59.61 crores, supported by robust project execution across multiple verticals.



EBITDA increased by 147.82% to Rs. 13.35 crores, with margins expanding by 413 bps to 22.45%, demonstrating efficient cost management and operational excellence.



Profit After Tax (PAT) surged 172.69% to Rs. 9.06 crores, with margins improving by 393 bps to 15.19%.



Our Net Worth increased from Rs.12.11 crores in FY24 to Rs. 58.87 crores in FY25, reflecting strong capitalisation post-IPO.

Debt-to-equity improved to 0.19, strengthening our balance sheet and enabling prudent growth.

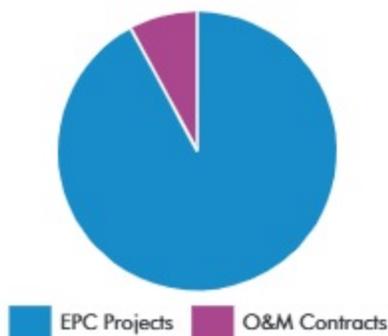
These numbers underline our consistent focus on financial discipline, execution efficiency, and value creation.

## ESTABLISHED LEGACY & EXPERIENCE

Since our inception in 2011 in Surat, Gujarat, Desco has emerged as one of the most trusted names in India's infrastructure landscape. Over the last 14 years, we have steadily built capabilities across City Gas Distribution (CGD), Water Infrastructure, Renewable Energy, and Power Distribution projects. Backed by an accumulative 34 years of industry experience of our leadership, we have created a track record of on-time, safe, and sustainable project execution.

From MDPE & steel pipeline laying to commissioning solar and power projects, we have consistently expanded our footprint across multiple regions of India. With more than 18+ clients, including major PSUs, Desco has positioned itself as a dependable partner in building India's energy and utilities backbone.

## STRONG ORDER BOOK & BUSINESS VISIBILITY



As of FY25, our order book stands at more than Rs. 330 crores, comprising Rs. 307.13 crores in EPC projects and Rs. 26.38 crores in O&M contracts. This strong order book provides us with 18–24 months of revenue visibility and a healthy conversion ratio of 30–40%, ensuring continuity of growth.

This robust pipeline reflects the trust placed in us by our clients and positions us strongly to scale further in the years ahead.

## OPERATIONAL MILESTONES & ACHIEVEMENTS

The past decade has been marked by several recognitions and milestones:

### 2023

Honoured by Industry Outlook as one of the Top 10 Service Providers for the Oil & Gas Sector, and recipient of the Energy Leadership Award for "Company of the Year" in CGD. Secured Smart City projects in Surat through Annex Infotechnologies.

### 2025

Successfully listed on BSE SME Platform, emerging as the highest-bid IPO of Q4.

### 2017

Awarded by GAIL Gas Limited for execution of domestic PNG connections in Varanasi.

### 2021 & 2022

Recognised by Adani Total Gas Limited for showcasing the highest standards of HSE compliance.

### 2024

Awarded projects by Adani Green Energy Six Limited (Gujarat Hybrid Renewable Energy Park) and PHED Jal Jeevan Mission in Jhabua (MP). Nominated for India's 5,000 Best MSME Awards for quality excellence.

In addition, our sales momentum in FY25 has been remarkable. We recorded Rs. 22.63 crores in H1 FY25 and Rs. 23.31 crores in Q1 FY25 alone, surpassing the previous half-year sales in just one quarter—clear testimony to robust demand, efficient execution, and strong operational momentum.

## DIVERSIFICATION & FUTURE-FOCUSED GROWTH

While CGD remains our core strength, Desco has strategically diversified into renewable energy, water infrastructure, and power distribution, aligning with India's national priorities of clean energy and sustainable development.

We are proud of our involvement in projects that support not only industrial growth but also community well-being, including Jal Jeevan Mission projects, solar power expansions, and hybrid renewable energy parks. Looking ahead, we plan to further broaden our portfolio, tapping opportunities in smart infrastructure, utility digitalisation, and large-scale renewable projects.

## RECOGNITION & MARKET STANDING

The recognition we have earned—whether through industry awards, safety excellence, or market appreciation—validates our strengths. Being recognised as one of the Top 10 Service Providers for the Oil & Gas Sector (2023) and achieving one of the most subscribed IPOs of Q4 FY25 are milestones that place Desco among the emerging leaders in the infrastructure sector.

## OUR COMMITMENT AHEAD

As we chart the next phase of our growth, we remain deeply committed to:

- ▶ Delivering high-quality infrastructure with safety, sustainability, and efficiency.
- ▶ Embracing innovation and technology adoption to improve execution.
- ▶ Strengthening our workforce capabilities and welfare, as our people remain the driving force behind every achievement.
- ▶ Ensuring value creation for investors and stakeholders, aligned with national priorities.

With continued investor support, industry trust, and the dedication of our team, I am confident that Desco Infratech is poised to scale greater heights, delivering infrastructure that powers communities, enables national growth, and fuels the future.

With Gratitude,  
**Pankaj Pruthi Desai**  
**Chairman & Managing**  
**Director**

## BRIEF ABOUT THE BOARD OF DIRECTORS



Mr. Pankaj Prutha Desai is a seasoned entrepreneur with over three decades of experience in the natural gas industry. He has successfully led Desco Infratech with a strong focus on business development, project acquisition, operational execution, and vendor establishment.

His visionary leadership has enabled the organization to achieve excellence in cost control, people management, and large-scale infrastructure execution. His expertise in steering complex projects, combined with his commitment to operational efficiency, continues to strengthen the company's position in the infrastructure sector.

### MR. PANKAJ PRUTHA DESAI

Chairman & Managing Director



Mr. Malhar Pankaj Desai serves as the Whole-Time Director with over a decade of experience in the City Gas Distribution (CGD) sector. He spearheads finance, strategy, and national business development for Desco Infratech.

In addition, he leads capital market planning, investor relations, and risk management, playing a pivotal role in strengthening the company's financial and strategic foundation. Since 2015, Mr. Desai has been instrumental in driving Desco's expansion across key markets in India while enhancing client relationships and ensuring operational efficiency.

### MR. MALHAR PANKAJ DESAI

Whole-Time Director



Mr. Samarth Pankaj Desai is an accomplished leader with a legal background (BA LLB, Pune) and strong business acumen. He oversees project planning, execution, vendor ecosystem development, and legal compliance at Desco Infratech.

He plays a pivotal role in expanding the company's presence into new geographies and verticals, while also driving innovation through the introduction of AI-based monitoring systems for enhanced project transparency and governance. His expertise ensures operational efficiency and long-term organizational growth.

### MR. SAMARTH PANKAJ DESAI

Executive Director

# MANAGEMENT DISCUSSION & ANALYSIS (MDA)

## THE INDIAN ECONOMY



FY 2024-25 marked another year of robust performance for the Indian economy, despite being a period of heightened uncertainty in global markets. With a real GDP growth of 6.4%, India reaffirmed its position as the world's fastest-growing major economy, surpassing China and Indonesia. Although this growth was lower than the 8.2% recorded in FY 2023-24, it reflected the economy's resilience, ability to withstand global shocks, and continued domestic consumption momentum.

In absolute terms, the country's GDP at constant prices increased to Rs. 184.9 lakh crore, compared to Rs. 173.8 lakh crore in the previous year. The growth was broad-based, driven by several key sectors:

- ▶ Construction emerged as a major driver, expanding by 8.6%, supported by the government's sustained infrastructure push and buoyant housing activity.
- ▶ Services grew by 7.2%, benefiting from continued growth in financial services, IT-enabled services, and hospitality.
- ▶ Agriculture, after a subdued year, rebounded with a 3.8% rise, aided by favorable monsoon conditions and improved productivity in allied sectors.
- ▶ Manufacturing moderated to 4.5% after two years of strong double-digit growth, reflecting global demand challenges.

Lower inflation, averaging 4.9% between April–December 2024, provided additional support to consumption and investment sentiment. Importantly, India's performance came at a time when developed economies grappled with stagnation and emerging markets faced currency pressures.

While structural strengths have supported India's trajectory, challenges persist. Rising unemployment, rural distress, and uneven income distribution remain key concerns. Nevertheless, the Union Budget reinforced long-term reforms, emphasizing capital expenditure, housing for all, renewable energy adoption, and MSME development. Rising GST and direct tax collections reflected strong compliance and buoyant economic activity.

## ECONOMIC OUTLOOK FOR FY 2025-26



Looking ahead, FY 2025-26 is expected to be a year of steady but moderated growth. Both the Reserve Bank of India (RBI) and international agencies such as Fitch Ratings project GDP growth in the range of 6.3%–6.5%. This projection reflects cautious optimism—acknowledging global uncertainties but underscoring confidence in India's fundamentals.

Key drivers for the coming year include:

- ▶ Resilient domestic demand, supported by a growing middle class, urbanization, and rising infrastructure investments.
- ▶ Healthy agricultural output expected to continue with policy support and favorable climate.
- ▶ Government-led capital expenditure in logistics, energy, and housing, which will further boost private sector investment.
- ▶ Accommodative monetary policy by RBI, ensuring liquidity for priority sectors.

Challenges remain, particularly around external trade risks due to tariff barriers, ongoing geopolitical conflicts, and high dependence on global crude oil prices. Moreover, the need to create employment opportunities at scale and to deepen manufacturing competitiveness will be crucial for sustaining growth momentum.

Overall, India is expected to remain a standout performer globally, with growth supported by its domestic demand-led model and policy stability.

# INDUSTRY OUTLOOK

## ECONOMIC OUTLOOK FOR FY 2025-26



The Indian City Gas Distribution sector is on the cusp of exponential growth. Valued at approximately Rs. 96,050 Crores in 2025, the market is projected to nearly double to Rs. 1,77,650 Crores by 2030, reflecting a CAGR of 12–13%.

**96,050 Cr**  
**Current Market Value**  
 2025 baseline reflecting robust infrastructure deployment

**1,77,650 Cr**  
**Projected Marketed Value**  
 2030 target representing near-doubling of sector value

**12-13%**  
**Compound Annual Growth**  
 Sustained CAGR indicating exceptional expansion trajectory

This rapid expansion is supported by:

### POLICY SUPPORT



The government aims to raise the share of natural gas in the primary energy mix from the current ~6–7% to 15% by 2030.

### INFRASTRUCTURE EXPANSION



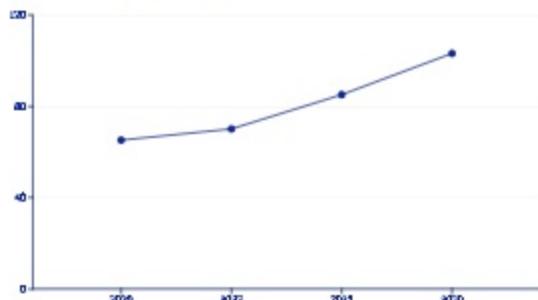
Over 5,665 CNG stations and more than 11 million PNG connections are already operational as of March 2023, with network expansion licensed across 88% of India's landmass.

### DEMAND GROWTH



Both industrial clusters and transport are expected to drive demand. Rising adoption of CNG vehicles and industry preference for cleaner fuels are pivotal factors.

IEA Consumption Projections



The International Energy Agency projects India's natural gas consumption to rise nearly 60% by 2030, with City Gas Distribution contributing significantly to this growth trajectory.

The International Energy Agency (IEA) projects India's natural gas consumption to rise nearly 60% by 2030, to about 103 bcm per year, with CGD contributing significantly.

## NETWORK COVERAGE ACHIEVEMENT

The Petroleum and Natural Gas Regulatory Board (PNGRB) has now expanded the CGD network to 784 districts across 34 states and UTs, covering nearly the entire mainland under 307 Geographical Areas (Gas).

PNGRB has set a 2034 Minimum Work Programme (MWP) target of:



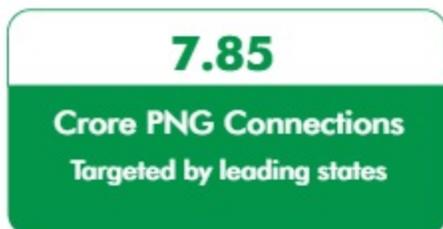
Eleven states and UTs—including Assam, Tripura, Tamil Nadu, Puducherry, Karnataka, Madhya Pradesh, Bihar, Rajasthan, Punjab, Uttar Pradesh, and West Bengal—have either notified or are drafting state CGD policies. Collectively, these regions account for 55% of India's population and 60% of households, with sub-targets of 7.85 crore PNG connections and 10,131 CNG stations by 2034.



**Population Coverage**  
Across eleven states with CGD policies



**Household Reach**  
Of India's total household base



Progress in FY 2024–25 was significant: 21 lakh new PNG connections were added, national gas sales rose 11%, CNG vehicle registrations surged by 25% (from 58.61 lakh in March 2023 to 81.95 lakh in March 2025), and 1,206 new CNG stations were commissioned nationwide

This large-scale expansion is central to India's ambition of becoming a gas-based economy, with PNGRB's ongoing engagement with state governments aimed at harmonizing VAT on gas, rationalizing tariffs, and streamlining approval processes. For Desco, this provides a long-term growth runway as it aligns its business model with these national priorities.

For Desco, this growth trajectory translates into substantial opportunities in expanding PNG (piped natural gas) networks and CNG station infrastructure, enabling the Company to deepen its role in India's clean energy transition.

## POWER TRANSMISSION



The power transmission sector is undergoing a transformational shift, driven by the twin objectives of capacity expansion and grid modernization. In FY 2024-25 alone, India commissioned 8,830 circuit kilometers of new transmission lines, almost twice the previous year's additions.

The sector's outlook is underpinned by significant capital commitments. The Government has earmarked investments of nearly Rs. 9.15 lakh crore (~USD 107 billion) by 2032 to build transmission infrastructure that can integrate large-scale renewable energy capacity. This forms nearly 15% of the total energy infrastructure pipeline for the country.

Simultaneously, the emergence of smart grids and digitalized transmission systems is reshaping the industry. Valued at Rs. 74.8 Crores in 2024, the smart grid segment is expected to grow steadily at 5% CAGR, supported by automation, AI/ML-driven monitoring, and initiatives like the National Smart Grid Mission. Efforts such as creating a digital energy grid on the lines of India's UPI model are expected to cut distribution costs by 25% while enhancing transparency.

With peak power demand touching 250 GW in FY 2024-25, the need for advanced, reliable transmission networks has never been higher. Desco is strategically positioned to capture this opportunity by scaling its transmission infrastructure services and embracing smart technology solutions.

## GOVERNMENT INITIATIVES



India's energy transition is being strongly shaped by government initiatives. The country is expected to account for 43% of Asia's new trunk and transmission pipeline projects between 2024 and 2028, adding nearly 29,800 km of pipelines. The national pipeline grid is targeted to expand to 34,500 km by March 2025, from 22,335 km in January 2023.

Building on its earlier targets, PNGRB has now officially expanded its CGD licensing to cover 784 districts nationwide, ensuring near-universal access. With the 2034 targets of 12.63 crore PNG connections and 18,336 CNG stations, the national pipeline grid is set to expand rapidly, strengthening the "One Nation, One Grid" vision.

In addition, PNGRB's Unified Tariff regime has been rolled out, based on the principle of "One Nation, One Grid, One Tariff", creating three distance-based tariff zones to rationalize costs and improve affordability. The regulator is also in consultations with states to potentially bring natural gas under the GST

framework, which would further accelerate adoption.

Significant investments—estimated at Rs. 5695 Crores over the next 5–6 years—are planned for exploration and infrastructure, with a special focus on the North-Eastern states, Jammu & Kashmir, and Ladakh. The PNGRB's Unified Tariff regime ("One Nation, One Grid, One Tariff") aims to rationalize costs and promote natural gas adoption across geographies. Discussions are also underway to bring natural gas under the GST framework, a move that could accelerate adoption and strengthen India's commitment to its Net Zero 2070 goals.

# COMPANY OVERVIEW

Founded in 2011, Desco Infratech Limited (DESCO) has emerged as a dynamic player in the infrastructure sector, with expertise spanning City Gas Distribution, power transmission, renewable-linked infrastructure, and water distribution systems.

The Company achieved a significant milestone in FY 2025 by listing on the BSE SME Platform (Scrip Code: 544387). Today, Desco has a presence across major states including Gujarat, Uttar Pradesh, Maharashtra, Punjab, Haryana, Madhya Pradesh, Rajasthan, Tamil Nadu, Karnataka, and Delhi.

With a strong order book of nearly Rs. 330 crore, Desco is delivering projects for marquee clients including BPCL, IOCL, HPCL, Adani Total Gas, and GAIL Gas Limited. Its EPC-led model (90% EPC and 10% O&M contracts) ensures visibility for sustained revenue growth. Importantly, the Company has scaled up its bidding capability to handle projects of Rs. 50 crore and above, compared to much smaller orders in earlier years.

Operationally, FY 2024-25 marked substantial progress, with pipeline commissioning up by 82%, PNG conversions rising 64%, and network-ready connections increasing 72% year-on-year. These achievements reflect not only Desco's execution capabilities but also its ability to align with India's expanding energy needs.

Under the leadership of Mr. Pankaj Pruthi Desai, an entrepreneur with over 34 years of industry experience, Desco has built a culture of efficiency, quality, and safety. Supported by a new-generation leadership team, the Company is now focused on geographic expansion, portfolio diversification, and digital transformation.



## OUR CLIENTS



# SWOT ANALYSIS

The dynamic and competitive nature of the infrastructure sector necessitates a clear understanding of Desco's strengths, weaknesses, opportunities, and threats. The Company continuously reviews its internal capabilities and external environment to align strategy with emerging opportunities while mitigating risks.

## Strengths



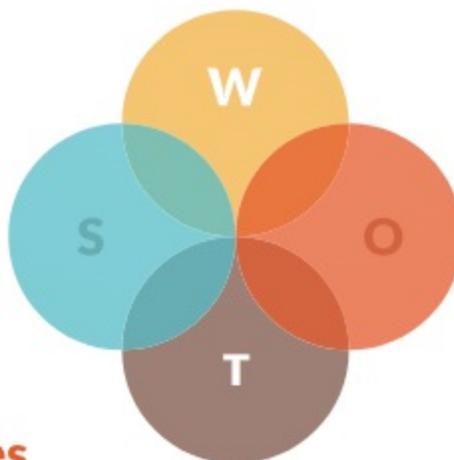
Desco's core strength lies in its execution excellence. Over the past decade, the Company has delivered complex pipeline networks, CGD systems, and power transmission projects across multiple geographies, consistently meeting stringent timelines, quality benchmarks, and safety standards. This has enabled Desco to build enduring relationships with leading clients, including Adani Total Gas, GAIL Gas, BPCL, IOCL, and HPCL.

Another key strength is its debt-free balance sheet, which provides Desco with the financial flexibility to take on large projects without the burden of interest costs. The Company also maintains a robust order book of Rs. 270 crore, offering visibility over the next 18–24 months and reducing revenue volatility. Recognition through awards such as the Adani Samarthan Award for safety excellence further underscores Desco's reputation for operational reliability.

## Weaknesses



Despite its achievements, Desco remains heavily dependent on the EPC business model, which contributes nearly 90% of revenues. This makes its revenue streams sensitive to the timing and scale of project awards. Additionally, while the Company has expanded into multiple states, a significant proportion of revenue is concentrated in Gujarat and Uttar Pradesh, exposing it to regional risks. Compared to larger infrastructure peers, Desco also remains a relatively small-scale player, with limited international presence to date.



## Opportunities



The growth outlook for Desco is highly favorable. India's ambition to raise the share of natural gas in the energy mix, coupled with an investment commitment of Rs. 9.15 lakh crore in power transmission infrastructure, provides an unprecedented opportunity for companies like Desco. The Company's ability to bid for larger projects worth Rs. 50 crore and above marks a significant shift in scale, enabling participation in bigger and more lucrative tenders.

Desco's diversification into renewable-linked infrastructure, power cables, and smart city projects broadens its growth runway. Post its IPO, the Company is also better positioned to explore international markets, particularly in the Middle East and Asia, where demand for CGD and transmission infrastructure is rising rapidly.

## Threats



The infrastructure industry is inherently exposed to policy, regulatory, and execution risks. Aggressive bidding by competitors could compress margins. Regulatory delays, such as PNGRB approvals or changes in tariff structures, may impact project timelines. Infrastructure projects also face risks related to land acquisition, local clearances, and cost escalations. Finally, macroeconomic shocks—such as commodity price volatility, geopolitical conflicts, or pandemics—could disrupt execution or demand.

## RISK MANAGEMENT

Operating in sectors such as city gas distribution and power transmission requires constant vigilance in risk management. Desco has instituted a robust risk management framework, overseen by its Board of Directors, Audit Committee, and Risk Management Committee. This framework proactively identifies, evaluates, and mitigates risks to ensure business continuity and safeguard stakeholder value.

### Occupational Health & Safety Risk

Given the technical and hazardous nature of CGD and transmission projects, safety is paramount. Any lapses could lead to accidents, environmental damage, or reputational harm.

Mitigation: Desco conducts regular safety training, emergency drills, and hazard identification workshops. It invests in protective gear, modern equipment, and rigorous inspections to ensure compliance with global safety standards.

### Human Resource Risk

The success of projects depends heavily on skilled manpower. Attrition of key personnel or non-compliance with labor standards could impact execution and reputation.

Mitigation: Desco fosters a positive and inclusive work culture, invests in employee training, and ensures adherence to labor laws. It has also introduced leadership development programs to nurture future managers.

### Competition Risk

EPC and CGD infrastructure are highly competitive segments with aggressive pricing by multiple players.

Mitigation: Desco leverages its proven execution track record, quality assurance, and client trust to maintain an edge. The Company is selective in bidding, focusing on projects where it has clear technical and financial strengths.

### Regulatory & Policy Risk

Approvals from PNGRB, local authorities, and state governments are critical for timely execution. Any delay could impact schedules.

Mitigation: A dedicated compliance team ensures regulatory requirements are monitored and approvals obtained on time. Regular internal audits help track compliance gaps.

### Liquidity Risk

Project-based models require high working capital. Payment delays from clients could impact liquidity.

Mitigation: Desco's debt-free position, prudent cash management, and strong client relationships help ensure smooth cash flows.

### Data Privacy & Cybersecurity Risk

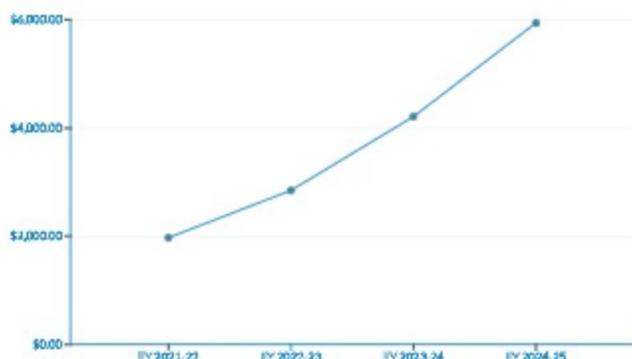
Increasing digitalization of bidding and project management raises exposure to cyber threats.

Mitigation: The Company has implemented IT audits, employee awareness programs, secure backup systems, and incident response protocols.

# FINANCIAL HIGHLIGHTS

## REVENUE GROWTH

Desco's revenues grew sharply over the past four years—from Rs. 19.78 crore in FY 2021-22 to Rs. 59.45 crore in FY 2024-25, marking a three-year CAGR of ~44%. The standout year was FY 2024-25, where revenues more than doubled, reflecting the Company's ability to scale execution and capitalize on opportunities in both CGD and power transmission.



### 44%

Revenue CAGR

Three-year compound annual growth rate demonstrates consistent expansion

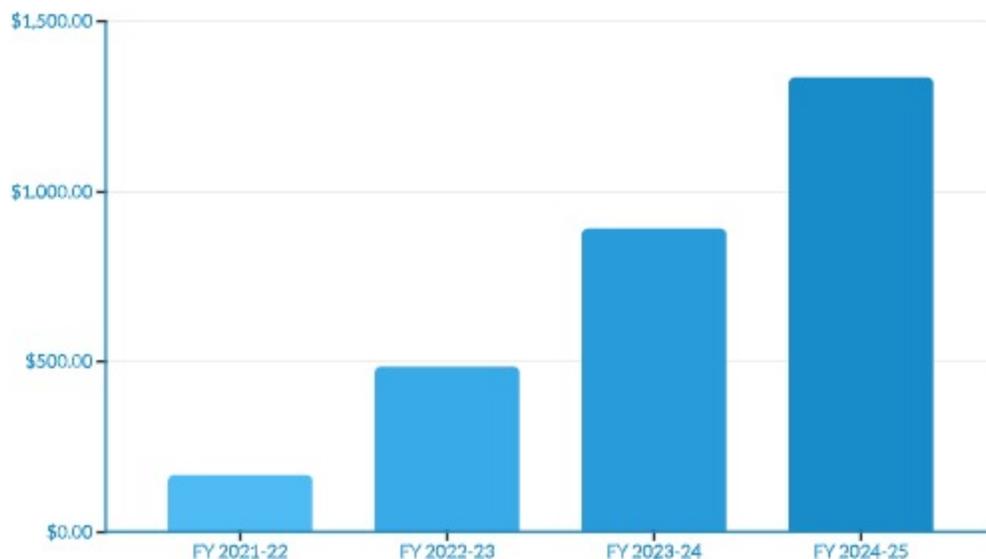
### 3X

Growth Multiple

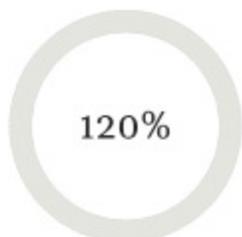
Revenue tripled from ₹19.78 crore to ₹59.45 crore over four years

## EBITDA GROWTH

EBITDA has demonstrated even stronger momentum, rising from ₹1.66 crore in FY 2021-22 to ₹13.34 crore in FY 2024-25—an eight-fold increase, with a CAGR of ~98%. The improvement reflects operational efficiency, better project mix, and scale-driven margin expansion.



## NET WORTH EXPANSION



Net Worth CAGR

Exceptional compound annual growth rate over four years



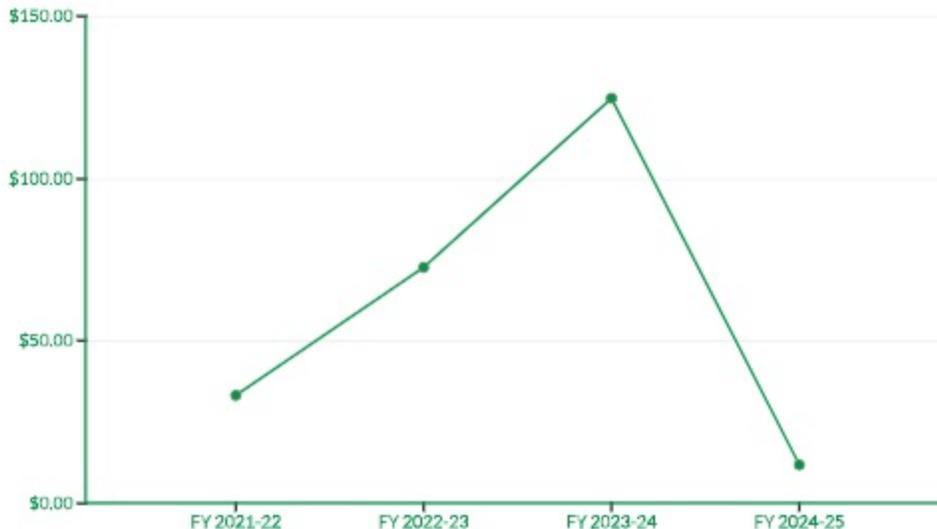
Growth Multiple

Net worth expanded from ₹3.85 crore to ₹58.88 crore



Net worth rose from Rs. 3.85 crore in FY 2021-22 to Rs. 58.88 crore in FY 2024-25, representing a CAGR of over 120%. This growth, combined with a debt-free balance sheet, strengthens the Company's ability to finance larger projects internally.

## EARNINGS PER SHARE (EPS)



EPS grew strongly from Rs. 33.20 in FY 2021-22 to a peak of Rs. 124.55 in FY 2023-24. In FY 2024-25, EPS moderated to Rs. 11.80, largely due to the expanded equity base following the IPO. This reflects earnings dilution, not a decline in profitability, and positions the Company with a stronger capital structure for future growth.

# MANAGEMENT OUTLOOK

Desco Infratech has firmly established itself as a reliable and fast-growing partner in India's energy and infrastructure transition. With over a decade of expertise, the Company has demonstrated its ability to deliver mission-critical projects for marquee clients across India.

Looking ahead, Desco's strategy is focused on:



Expanding its presence in high-growth CGD markets, aligning with PNRB's licensing of over 300 geographical areas covering ~70% of India's population.



Scaling operations in power transmission, particularly in renewable integration and smart grid infrastructure.



Exploring international opportunities in Asia and the Middle East, leveraging its credentials post-IPO.



Driving operational efficiency through digital adoption, technology-led solutions, and vendor ecosystem development.



Maintaining financial prudence, ensuring growth remains sustainable on the back of a debt-free balance sheet and strong cash flows.

## FUTURE OUTLOOK

Desco's outstanding order book of Rs. 270 crore as on March 31, 2025, provides revenue visibility for the next two years. With enhanced bidding capacity, the Company is now capable of participating in projects 2–3x larger than in previous years.

In the CGD sector, opportunities will continue to grow as India expands its national gas grid, with demand expected to rise across residential, industrial, and transport sectors. In the power transmission sector, large-scale investments and the government's thrust on renewable integration will generate new business opportunities.

Desco also intends to diversify into renewable-linked infrastructure and pursue selective international projects, creating a balanced portfolio of opportunities. By combining execution strength, financial stability, and forward-looking strategy, Desco is confident of sustaining its growth momentum while contributing to India's vision of a cleaner and more efficient energy future.

# NOTICE TO SHAREHOLDERS

Notice is hereby given that the 14th Annual General Meeting of Desco Infratech Limited will be held on Tuesday, 30th September 2025, at 2.00 p.m. through Video conferencing ("VC") or other audio-visual means ("OAVM") to transact the following business:

Ordinary Business:

## 1. Adoption of Financial Statements:

To consider and adopt the audited financial statements for the financial year ended March 31, 2025, and the reports of the Board of Directors and Auditors thereon.

## 2. Appointment of Mr. Samarth Pankaj Desai as Director

To appoint a director in place of Mr. Samarth Pankaj Desai (DIN: 08019677) who retires by rotation and being eligible, offers himself for re-appointment.

**"RESOLVED THAT** pursuant to the provisions of section 152 and any other applicable provisions and the Rules framed thereunder, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Samarth Pankaj Desai (DIN: 08019677), who retires by rotation, and being eligible, seeks re-appointment, be and is hereby re-appointed as a Director, liable to retire by rotation."

## 3. Appointment of Mr. Amulya kumar Jena as Director

To appoint a director in place of Mr. Amulya kumar Jena (DIN: 09594511) who retires by rotation and being eligible, offers himself for re-appointment.

**"RESOLVED THAT** pursuant to the provisions of section 152 and any other applicable provisions and the Rules framed thereunder, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Amulya kumar Jena (DIN: 09594511), who retires by rotation, and being eligible, seeks re-appointment, be and is hereby re-appointed as a Director, liable to retire by rotation."

## Special Business:

## 4. Regularisation of Mr. Yash Gurnani (DIN: 09605466) as Independent Director

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

**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Schedule IV thereto, the Companies (Appointment and Qualification of Directors) Rules, 2014, and Regulation 16(1)(b) and other relevant provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR"), including any statutory modification(s) or re-enactment(s) thereof for the time being in force, and based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, Mr. Yash Gurnani (DIN: 09605466), who was appointed as an Additional Director (Non-Executive Independent) with effect from 04/09/2025 in terms of Section 161 of the Act and who holds office up to the date of this Annual General Meeting, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a Member proposing his candidature, be and is hereby appointed and regularised as an Independent Director of the Company, to hold office for a term of 5 (five) consecutive years from the date of this AGM, and whose office shall not be subject to retirement by rotation.

## 5. Appointment of Secretarial Auditor

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

**RESOLVED THAT** pursuant to the provisions of Sections 179, 204 and other applicable provisions, if any, of the Companies Act, 2013, read with the rules made thereunder, and such other laws, regulations and guidelines as may be applicable (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and based on the recommendations of the Audit Committee and the Board of Directors, approval of the members be and is hereby accorded for the appointment of M/s M D Baid & Associates, Practicing Company Secretaries (Firm Registration No.: PCS/2004/GJ01/5700), as Secretarial Auditors of the Company for a term of five consecutive financial years, commencing from FY 2025-26 up to FY 2029-30, to conduct the Secretarial Audit of the Company under Section 204 of the Companies Act, 2013 and to issue the Secretarial Audit Report thereon, together with such other services, certificates or reports as may be permissible under applicable laws, at such remuneration and on such terms and conditions as may be determined by the Board of Directors (including its Committees thereof).

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committees thereof) be and is hereby authorized to finalize the remuneration, and to do all such acts, deeds, matters and things as may be deemed proper, necessary or expedient for the purpose of giving effect to this resolution, including filing necessary forms and submissions with statutory/regulatory authorities, and to accept such modifications, if any, as may be required by the said authorities.

## 6. Revision in Remuneration of Mr. Pankaj Pruthubhai Desai (DIN: 03344685), Managing Director

To consider and if thought fit, to pass the following Resolution, with or without modification, as a Special Resolution:

**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V thereto and the rules made thereunder, Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and subject to such approvals, consents and permissions as may be necessary, the consent of the members of the Company be and is hereby accorded for the revision in remuneration payable to Mr. Pankaj Pruthubhai Desai (DIN: 03344685), Managing Director of the Company, with effect from 01st October, 2025, on the following terms and conditions:

1. Commission: 0.3% of the total turnover of the Company every financial year, payable annually after the finalization of accounts and subject to the applicable statutory provisions.
2. Perquisites/allowances: As per Company's rules, subject to an overall ceiling under Section 197 and Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to alter or vary the terms and conditions of commission, perquisites, allowances and other benefits payable to Mr. Pankaj Pruthubhai Desai, in such manner as may be agreed between the Board and Mr. Desai, subject to the applicable provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

## 7. Approval of Related Party Transactions with Desai Associates

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

**RESOLVED THAT** pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Meetings of Board and its Powers) Rules, 2014 (including

any statutory modification(s) or re-enactment thereof for the time being in force), consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company to enter into related party transactions with Desai Associates for the sale and purchase of goods/services, up to an aggregate value not exceeding ₹30 Crores (Rupees Thirty Crores only) in any financial year, on such terms and conditions as may be mutually agreed upon between the Company and Desai Associates, provided that such transactions shall be carried out in the ordinary course of business and on an arm's length basis.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include any Committee thereof) be and is hereby authorised to negotiate, finalise, vary and execute contracts, agreements or arrangements with Desai Associates and to do all such acts, deeds, matters and things as may be necessary or expedient to give effect to this resolution.

#### **8. Approval of Related Party Transactions with Desai Energy Private Limited**

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

**RESOLVED THAT** pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company to enter into related party transactions with Desai Energy Private Limited for the sale and purchase of goods/services, up to an aggregate value not exceeding ₹30 Crores (Rupees Thirty Crores only) in any financial year, on such terms and conditions as may be mutually agreed upon between the Company and Desai Energy Private Limited, provided that such transactions shall be carried out in the ordinary course of business and on an arm's length basis.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include any Committee thereof) be and is hereby authorised to negotiate, finalise, vary and execute contracts, agreements or arrangements with Desai Energy Private Limited and to do all such acts, deeds, matters and things as may be necessary or expedient to give effect to this resolution.

**For and on behalf of the Board of Directors  
For DESCO INFRATECH LIMITED  
(Formerly known as Desco Infratech Private Limited)**

**Sd/-  
MUSKAN KHANDAL  
Company Secretary & Compliance Officer  
M No. A61122**

**Date: 05.09.2025  
Place: Surat**

## NOTES:

1. The Ministry of Corporate Affairs ("MCA") has, vide its circular Nos. 14/2020 dated 8th April 2020, 17/2020 dated 13th April 2020, followed by Circular No. 20/2020 dated May 05, 2020, 22/2020 dated 15th June 2020, 33/2020 dated 28th September 2020, 39/2020 dated 31st December 2020, Circular No. 02/2021 dated January 13, 2021, 10/2021 dated 23rd June 2021, 20/2021 dated 8th December 2021, 3/2022 dated 5th May 2022 and 11/2022 dated 28th December 2022, (Collectively referred to as "MCA Circulars") permitted convening the Annual General Meeting ("AGM" / "Meeting") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without physical presence of the members at a common venue. In accordance with the MCA Circulars and applicable provisions of the Companies Act, 2013 ("the Act") read with Rules made thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
2. Additional information as required under Listing Regulations and Secretarial Standard on General Meeting (SS-2) in respect of the Directors retiring by rotation / seeking appointment / re-appointment at this Meeting is annexed hereto.
3. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and the proxy need not be a member of the Company. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of Members has been dispensed with. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence, the Proxy Form and Attendance Slip are not annexed hereto.
4. Pursuant to the provisions of Section 113 of the Act, Body/Institutional/Corporate members intending for their authorized representatives to attend the meeting are requested to send to the Company, on [cs@descoinfra.co.in](mailto:cs@descoinfra.co.in) from their registered Email ID a scanned copy (PDF/JPG format) of certified copy of the Board Resolution/Authority Letter authorizing their representative to attend and vote on their behalf at the meeting.
5. In accordance with the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India ("ICSI"), as revised with effect from April 01, 2024, read with Clarification/Guidance on applicability of Secretarial Standards 2 dated April 15, 2020 issued by the ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM.
6. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

In compliance with MCA Circulars and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021 and Circular No.

SEBI/HO/CFD/ CMD2/CIR/P/2022/62 dated 13th May, 2022 the financial statements including Board's Report, Auditor's report or other documents required to be attached therewith (together referred to as Annual Report FY 2024-25) and Notice of AGM are being sent in electronic mode to those members / beneficial owners whose e-mail Id's are registered and whose name appears in the Register of Members / Depositories Participant(s) as at closing business hours on Friday, August 29, 2025.

8. The relevant Explanatory Statement pursuant to Section 102(1) of the Act, setting out the material facts concerning special business(s) as set out above in Item No.4 is annexed as Annexure I hereto. The relevant details required to be disclosed in respect to Directors seeking appointment/ re-appointment at this AGM pursuant to Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, "(LODR Regulations or Listing Regulations)". Secretarial Standards on General Meeting ("SS-2") issued by the Institute of Company Secretaries of India and other applicable provisions of the Act, have been provided in Annexure II to this Notice. Additional information as required under Listing Regulations and Secretarial Standard on General Meeting (SS-2) in respect of the Directors retiring by rotation at this Meeting is annexed hereto.

9. The Register of Members and Share Transfer Books of the Company shall remain closed from Tuesday, 23rd September, 2025 to Tuesday, 30th September, 2025 (both days inclusive) for the purpose of Annual General Meeting of the Company.

10. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

11. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Bigshare Services Private Limited for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by Bigshare Services Private Limited.

12. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at <https://www.descoinfra.tech.co.in>. The Notice can also be accessed from the websites of the Stock Exchange i.e. Bombay Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and also available on the website of I-Vote Bigshare (agency for providing the Remote e-Voting facility) i.e. <https://ivote.bigshareonline.com>.

13. The Companies (Management and Administration) Rules, 2014 stipulate that the remote electronic voting period shall close at 05:00 P.M (IST) on the date preceding the date of AGM. Accordingly, the remote e-Voting period will commence at 09:00 A.M (IST) on 27/09/2025 and will end at 05:00 P.M (IST) on 29/09/2025. The remote e-Voting will not be allowed beyond the aforesaid period and time, and the remote e-Voting module shall be disabled by Bigshare I-vote System.

14. The Company has appointed Mr. Shreyansh Baid to act as Scrutinizer to scrutinize the remote e-Voting process and voting during the AGM in a fair and transparent manner.

15. The Scrutinizer after scrutinizing the votes cast at the meeting and through remote e-Voting will not later than 2 working days from the conclusion of the meeting, make a consolidated Scrutinizer's Report and submit the same to the Chairman. The results declared along with Scrutinizer's Report shall be placed on the website of the Company. The results shall simultaneously be communicated to stock exchanges where the shares of the Company are listed i.e. Bombay Stock Exchange of India Limited placed on the Company's website <https://descoinfra.tech.co.in>.

16. Subject to approval of the requisite number of votes, the Resolutions set out in this Notice for the AGM shall be deemed to be passed on the date of the meeting i.e. 30/09/2025.

17. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on 23/09/2025 are entitled to vote on the Resolutions set forth in this Notice. A person, who is not a Member as on the cut-off date i.e. 23/09/2025 should treat this Notice for information purposes only.

18. In case a person has become a member of the Company after dispatch of AGM Notice, but on or before the cut-off date for e-Voting, i.e., 23/09/2025 such person may obtain the User ID and Password from Bigshare I-vote by e-mail request on [ivote@bigshareonline.com](mailto:ivote@bigshareonline.com) for all future communication members.

### **Dispatch of Annual Report through Electronic Mode:**

19. In compliance with the MCA Circulars and SEBI Circular dated May 13, 2022 and January 05, 2023, Notice of the AGM along with the Annual Report 2024-25 is being sent only through electronic mode to those Members as on cut-off date whose e-mail address is registered with the Company / Registrar and Transfer Agent / Depository Participants / Depositories. Members may note that the Notice and Annual Report 2024-25 will also be available on the Company's website <https://www.descoinfra.tech.com>, websites of the Stock Exchange, that is, Bombay Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com), respectively, and on the website of Company's E-voting partner at <https://ivote.@bigshareonline.com>.

20. For receiving all communication (including Annual Report) from the Company electronically:

a) Members holding shares in dematerialised mode are requested to register / update their e-mail address with the relevant Depository Participant. CDSL has provided a facility for registration/ updation of e-mail address through the link: <https://eservices.cdsl.com/kyc-attributes/#/login>.

b) The process to be followed for registration/updation of e-mail address by Members holding shares in physical mode, is given in this Notice.

### **Procedure for Inspection of Documents:**

21. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the Notice will be available, electronically, for inspection by the Members during the AGM. All documents referred to in the Notice will also be available electronically for inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an e-mail to [cs@descoinfra.co.in](mailto:cs@descoinfra.co.in).

22. Members seeking any information with regard to the accounts or any matter to be considered at the AGM, are requested to write to the Company on or before 23/09/2025 to [cs@descoinfra.co.in](mailto:cs@descoinfra.co.in). The same will be replied by the Company suitably.

## THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:

i. The voting period begins on 27/09/2025 at 9:00 AM and ends on 29/09/2025 at 5:00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23/09/2025 may cast their vote electronically. The e-voting module shall be disabled by Bigshare for voting thereafter.

ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

iii. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

iv. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

<b>Type of shareholders</b>	<b>Login Method</b>
<p><b>Individual Shareholders holding securities in Demat mode with CDSL</b></p>	<p>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest is <a href="https://web.cdslindia.com/myeasitoken/home/login">https://web.cdslindia.com/myeasitoken/home/login</a> or visit <a href="https://www.cdslindia.com">CDSL website www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then use your existing my easi username &amp; password.</p> <p>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of BIGSHARE the e-Voting service provider and you will be re-directed to i-Vote website for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. BIGSHARE, so that the user can visit the e-Voting service providers' website directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration">https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration</a></p>

Type of shareholders	Login Method
<p><b>Individual Shareholders holding securities in Demat mode with CDSL</b></p>	<p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a></p> <p>The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress, and also able to directly access the system of all e-Voting Service Providers. Click on BIGSHARE and you will be re-directed to i-Vote website for casting your vote</p>
<p><b>Individual Shareholders holding securities in demat mode with NSDL</b></p>	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name BIGSHARE and you will be re-directed to i-Vote website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name BIGSHARE and you will be redirected to i-Vote website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</p> <p>4) For OTP based login you can click on <a href="https://eservices.nsd.com/SecureWeb/evoting/evotinglogin.jsp">https://eservices.nsd.com/SecureWeb/evoting/evotinglogin.jsp</a>. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page with all e-Voting Service Providers. Click on BIGSHARE and you will be re-directed to i-vote (E-voting website) for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

Type of shareholders	Login Method
<b>Individual Shareholders (holding securities in demat mode) login through their Depository Participants</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

Login type	Helpdesk details
<b>Individual Shareholders holding securities in Demat mode with CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free No. 1800 22 55 33.
<b>Individual Shareholders holding securities in Demat mode with NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> or call at 022- 48867000.

2. Login method for e-Voting for shareholder other than individual shareholders holding shares in Demat mode & physical mode is given below::

- ▶ You are requested to launch the URL on internet browser: <https://ivote.bigshareonline.com>
- ▶ Click on **“LOGIN”** button under the **'INVESTOR LOGIN'** section to Login on E-Voting Platform.
- ▶ Please enter you **'USER ID'** (User id description is given below) and **'PASSWORD'** which is shared separately on you register email id.
  - o Shareholders holding shares in **CDSL** demat account should enter 16 Digit Beneficiary ID as user id.
  - o Shareholders holding shares in **NSDL** demat account should enter 8 Character DP ID followed by 8 Digit Client ID as user id.
  - o Shareholders holding shares in physical form should enter Event No + Folio Number registered with the Company as user id.

*Note If you have not received any user id or password please email from your registered email id or contact i-vote helpdesk team. (Email id and contact number are mentioned in helpdesk section).*

- o Click on **I AM NOT A ROBOT (CAPTCHA)** option and login.

NOTE: If Shareholders are holding shares in demat form and have registered on to e-Voting system of <https://ivote.bigshareonline.com> and/or voted on an earlier event of any company then they can use their existing user id and password to login.

- ▶ If you have forgotten the password: Click on '**LOGIN**' under '**INVESTOR LOGIN**' tab and then Click on 'Forgot your password?'

- ▶ Enter "**User ID**" and "Registered email ID" Click on **I AM NOT A ROBOT (CAPTCHA)** option and click on 'Reset'.

(In case a shareholder is having valid email address, Password will be sent to his / her registered e-mail address).

### Voting method for shareholders on i-Vote E-voting portal:

- ▶ After successful login, Bigshare E-voting system page will appear.
- ▶ Click on "**VIEW EVENT DETAILS (CURRENT)**" under '**EVENTS**' option on investor portal.
- ▶ Select event for which you are desire to vote under the dropdown option.
- ▶ Click on "**VOTE NOW**" option which is appearing on the right hand side top corner of the page.
- ▶ Cast your vote by selecting an appropriate option "**IN FAVOUR**", "**NOT IN FAVOUR**" or "**ABSTAIN**" and click on "**SUBMIT VOTE**". A confirmation box will be displayed. Click "**OK**" to confirm, else "**CANCEL**" to modify. Once you confirm, you will not be allowed to modify your vote.
- ▶ Once you confirm the vote you will receive confirmation message on display screen and also you will receive an email on your registered email id. During the voting period, members can login any number of times till they have voted on the resolution(s). Once vote on a resolution is casted, it cannot be changed subsequently.
- ▶ Shareholder can "**CHANGE PASSWORD**" or "**VIEW/UPDATE PROFILE**" under "**PROFILE**" option on investor portal.

### 3. Custodian registration process for i-Vote E-Voting Website:

- ▶ You are requested to launch the URL on internet browser: <https://ivote.bigshareonline.com>
- ▶ Click on "**REGISTER**" under "**CUSTODIAN LOGIN**", to register yourself on Bigshare i-Vote e-Voting Platform.
- ▶ Enter all required details and submit.
- ▶ After Successful registration, message will be displayed with "User id and password will be sent via email on your registered email id".

NOTE: If Custodian have registered on to e-Voting system of <https://ivote.bigshareonline.com> and/or voted on an earlier event of any company then they can use their existing user id and password to login.

- ▶ If you have forgotten the password: Click on '**LOGIN**' under '**CUSTODIAN LOGIN**' tab and further Click on 'Forgot your password?'

- ▶ Enter "User ID" and "Registered email ID" Click on **I AM NOT A ROBOT (CAPTCHA)** option and click on '**RESET**'.

(In case a custodian is having valid email address, Password will be sent to his / her registered e-mail address).

### Voting method for Custodian on i-Vote E-voting portal:

- ▶ After successful login, Bigshare E-voting system page will appear.

### **Investor Mapping:**

- ▶ First you need to map the investor with your user ID under **“DOCUMENTS”** option on custodian portal.
    - Click on **“DOCUMENT TYPE”** dropdown option and select document type power of attorney (POA).
    - Click on upload document **“CHOOSE FILE”** and upload power of attorney (POA) or board resolution for respective investor and click on **“UPLOAD”**.
- Note: The power of attorney (POA) or board resolution has to be named as the **“InvestorID.pdf”** (Mention Demat account number as Investor ID.)
- Your investor is now mapped and you can check the file status on display.

### **Investor vote File Upload:**

- ▶ To cast your vote select **“VOTE FILE UPLOAD”** option from left hand side menu on custodian portal.
- ▶ Select the Event under dropdown option.
- ▶ Download sample voting file and enter relevant details as required and upload the same file under upload document option by clicking on **“UPLOAD”**. Confirmation message will be displayed on the screen and also you can check the file status on display (Once vote on a resolution is casted, it cannot be changed subsequently).
- ▶ Custodian can **“CHANGE PASSWORD”** or **“VIEW/UPDATE PROFILE”** under **“PROFILE”** option on custodian portal.

### **Helpdesk for queries regarding e-voting:**

<b>Login type</b>	<b>Helpdesk details</b>
<b>Shareholder's other than individual shareholders holding shares in Demat mode &amp; Physical mode.</b>	In case shareholders/ investor have any queries regarding E-voting, you may refer the Frequently Asked Questions ('FAQs') and i-Vote e-Voting module available at <a href="https://ivote.bigshareonline.com">https://ivote.bigshareonline.com</a> , under download section or you can email us to <a href="mailto:ivote@bigshareonline.com">ivote@bigshareonline.com</a> or call us at: 022-62638338

## **4. Procedure for joining the AGM through VC/ OAVM:**

### **For shareholder other than individual shareholders holding shares in Demat mode & physical mode is given below:**

- ▶ The Members may attend the AGM through VC/ OAVM at <https://ivote.bigshareonline.com> **under Investor login by using the e-voting credentials (i.e., User ID and Password).**
- ▶ After successful login, Bigshare E-voting system page will appear.
- ▶ Click on **“VIEW EVENT DETAILS (CURRENT)”** under 'EVENTS' option on investor portal.
- ▶ Select event for which you are desire to attend the AGM under the dropdown option.

- ▶ For joining virtual meeting, you need to click on “VC/OAVM” link placed beside of “**VIDEO CONFERENCE LINK**” option.
- ▶ Members attending the AGM through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

#### **The instructions for Members for e-voting on the day of the AGM are as under:-**

- ▶ The Members can join the AGM in the VC/ OAVM mode 15 minutes before the scheduled time of the commencement of the meeting. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- ▶ Only those members/shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
- ▶ Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

#### **Helpdesk for queries regarding virtual meeting:**

In case shareholders/ investor have any queries regarding virtual meeting, you may refer the Frequently Asked Questions ('FAQs') available at <https://ivote.bigshareonline.com>, under download section or you can email us to [ivote@bigshareonline.com](mailto:ivote@bigshareonline.com) or call us at: 1800 22 54 22, 022-62638338

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:**

### **ITEM NO. 4:**

#### **Regularisation of Mr. Yash Gurnani (DIN: 09605466) as Independent Director**

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, appointed Mr. Yash Gurnani (DIN: 09605466) as an Additional Director (Non-Executive Independent Director) with effect from 05/09/2025, in accordance with Section 161 of the Companies Act, 2013. He holds office up to the date of this Annual General Meeting.

The Company has received a notice in writing under Section 160 of the Act from a Member proposing his candidature for appointment as a Director.

Mr. Gurnani has submitted a declaration that he meets the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of SEBI LODR and is not disqualified from being appointed as a Director in terms of Section 164 of the Act. In the opinion of the Board, he possesses the required integrity, expertise and experience which will add significant value to the Board's deliberations.

Pursuant to Regulation 36(3) of SEBI LODR, a brief profile of Mr. Gurnani, including his expertise, qualifications and other directorships, is annexed to this Notice and is also available on the Company's website.

The Board recommends the appointment and regularization of Mr. Yash Gurnani as an Independent Director for a period of 5 consecutive years, not liable to retire by rotation. Accordingly, the resolution is recommended for approval of Members as an Ordinary Resolution.

None of the Directors, Key Managerial Personnel of the Company, except Mr. Gurnani, are concerned or interested, financially or otherwise, in this resolution.

### **ITEM NO. 5:**

#### **Appointment of Secretarial Auditor**

The provisions of Section 204 of the Companies Act, 2013 ("the Act") read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, mandate every listed company to annex with its Board's Report a Secretarial Audit Report given by a Company Secretary in practice. The Secretarial Auditor is required to examine and report on the compliance of applicable corporate laws, rules, regulations, secretarial standards and other statutory requirements.

Based on the recommendation of the Audit Committee and approval of the Board of Directors, it is proposed to appoint M/s M D Baid & Associates, Practicing Company Secretaries (Firm Registration No.: P2004GJ015700), as Secretarial Auditors of the Company for a term of five consecutive financial years commencing from FY 2025-26 up to FY 2029-30.

Apart from conducting the Secretarial Audit under Section 204 of the Act, the Secretarial Auditors may also render such other services, certifications, and reports as may be permissible under applicable laws and regulations, on such terms as may be approved by the Board of Directors (including its Committees thereof). The firm has extensive experience in handling secretarial audits and compliances for listed companies and is considered well suited to undertake these assignments for the Company.

The Board is authorized to determine the remuneration payable to the Secretarial Auditors and finalize the terms and conditions of their appointment.

The Board of Directors recommends the passing of this resolution as an Ordinary Resolution.

None of the Directors and Key Managerial Personnel of the Company, is in any way interested in the said resolution.

**ITEM NO. 6:****Revision in Remuneration of Mr. Pankaj Pruthubhai Desai (DIN: 03344685), Managing Director:**

Mr. Pankaj Pruthubhai Desai (DIN: 03344685) was appointed as Managing Director of the Company with effect from 20th August, 2024 for a period of 5 years. His present remuneration, as approved by the Board, is ₹1,80,000 per month.

Considering his professional expertise, leadership, long-standing association with the industry, and his significant contribution towards the growth and performance of the Company, the Nomination and Remuneration Committee and the Board of Directors, at their respective meetings held on [date], have recommended revision in his remuneration as follows:

- **Commission:** 0.3% of the total turnover of the Company every financial year, payable annually.

The proposed commission are in line with industry standards and commensurate with the responsibilities shouldered by him. The same is subject to the approval of shareholders by way of special resolution.

The terms of remunerationThe terms are within the limits prescribed under Sections 196, 197, 198 read with Schedule V of the Companies Act, 2013.

The Board recommends the resolution as set out in Item No. 6 of this Notice as a Special Resolution for approval of the members.

Mr. Pankaj Desai, Managing Director, being himself and Mr Malhar Desai and Mr Samarth Desai, being relative of Mr Pankaj Desai are interested in the proposed resolution.

**ITEM NO. 7****Approval of Related Party Transactions with Desai Associates:**

Pursuant to Section 188 of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, prior approval of shareholders is required where the value of transactions with a related party exceeds the prescribed threshold limits.

The Company proposes to enter into transactions with Desai Associates, a related party, for sale and purchase of goods/services, for an aggregate value up to ₹30 Crores in any financial year.

Although such transactions are in the ordinary course of business and at arm's length price, since the transaction value may exceed the limits prescribed under Rule 15(3), approval of the members is being sought by way of ordinary resolution.

The Audit Committee and the Board of Directors have reviewed and approved the proposed transactions and recommend the same for approval of the members.

Information required under Rule 15(3):

1. **Name of Related Party:** Desai Associates
2. **Name of Director/KMP related:** Pankaj Pruthu Desai
3. **Nature of Relationship: Proprietor of Desai Associates;** Director is interested as proprietor
4. **Nature, duration and particulars of the contract/arrangement:** Sale and purchase of goods/services on an ongoing basis

5. **Material terms of the contract/arrangement:** Transactions at arm's length basis in the ordinary course of business
6. **Value of the transactions:** Up to ₹30 Crores per financial year
7. **Any advance paid/received:** Nil
8. **Manner of determining the pricing:** At arm's length price comparable with prevailing market conditions

The Board recommends the resolution as set out in Item No.7 of this Notice as an Ordinary Resolution for approval of the members.

Mr. Pankaj Desai, Managing Director, being himself and Mr. Malhar Desai and Mr. Samarth Desai, being relative of Mr Pankaj Desai are interested in the proposed resolution.

#### **ITEM NO. 8:**

#### **Approval of Related Party Transactions with Desai Energy Private Limited (formally known as Desai Energy LLP)**

Section 188 of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 requires the approval of shareholders where the value of transactions with a related party exceeds the prescribed threshold limits.

The Company proposes to enter into transactions with Desai Energy Private Limited, a related party, for sale and purchase of goods/services, up to an aggregate value of ₹30 Crores in any financial year.

Although such transactions are in the ordinary course of business and at arm's length price, since the transaction value may exceed the limits prescribed under Rule 15(3), approval of the members is being sought by way of ordinary resolution.

The Audit Committee and the Board of Directors have considered and approved the proposed transactions and recommend the same for approval of the members.

#### **Information required under Rule 15(3):**

1. **Name of Related Party:** Desai Energy Private Limited
2. **Name of Director/KMP related:** Pankaj Pruthu Desai
3. **Nature of Relationship:** Director is a shareholder in Desai Energy Private Limited.
4. **Nature, duration and particulars of the contract/arrangement:** Sale and purchase of goods/services on an ongoing basis
5. **Material terms of the contract/arrangement:** Transactions at arm's length basis in the ordinary course of business
6. **Value of the transactions:** Up to ₹30 Crores per financial year
7. **Any advance paid/received:** Nil
8. **Manner of determining the pricing:** At arm's length price comparable with prevailing market conditions

The Board recommends the resolution as set out in Item No.8 of this Notice as an Ordinary Resolution for approval of the members.

Mr. Pankaj Desai, Managing Director, being himself and Mr. Malhar Desai and Mr. Samarth Desai, being relative of Mr. Pankaj Desai are interested in the proposed resolution.

**For and on behalf of the Board of Directors  
For DESCO INFRA TECH LIMITED  
(Formerly known as Desco Infratech Private Limited)**

**Sd/-  
MUSKAN KHANDAL  
Company Secretary & Compliance Officer  
M No. A61122**

**Date: 05.09.2025**

**Place: Surat**

**PURSUANT TO REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD 2 ISSUED BY ICSI, INFORMATION ABOUT THE DIRECTORS PROPOSED TO BE APPOINTED/ REAPPOINTED IS FURNISHED BELOW:**

**Details of Director seeking appointment /re-appointment/regularization at the Annual General Meeting**

<b>Name</b>	<b>Mr. Samarth Pankaj Desai</b>	<b>Mr. Amulya kumar Jena</b>	<b>Mr. Yash Mahesh Gurnani</b>
Director Identification Number (DIN)	08019677	09594511	09605466
Date of Birth	13-07-1998	04-02-1975	13-11-1996
Date of Appointment in the Board	16-01-2016	05-05-2022	05-09-2025
<b>Brief Profile</b>	Mr. Samarth Desai is the Executive Director at Desco, with a legal background (B.A. LL.B, Pune) and strong business acumen. He is responsible for leading strategic initiatives, driving operational efficiency, and ensuring regulatory compliance. His leadership has been central to Desco's expansion into new markets and the adoption of technology-driven solutions for improved project	Mr. Amulya Jena, Executive Director at Desco, brings over 26 years of experience in the industry. His deep operational insight and leadership have been instrumental in streamlining project execution across the organization. With a strong focus on efficiency and on-ground coordination, Mr. Jena ensures that Desco's projects are delivered with precision, timeliness, and adherence to quality	Mr. Yash Gurnani is a qualified Company Secretary and an experienced professional in the fields of legal compliance, capital markets, and corporate governance. With a B.Com degree and a Diploma in Cyber Law, he brings a well-rounded understanding of regulatory frameworks and emerging legal issues.
<b>Expertise in specific functional areas</b>	Mr. Desai has expertise in legal and regulatory compliance, project planning and execution, and vendor ecosystem development. He is experienced in leading business expansion into new geographies and verticals, and is instrumental in adopting technology-driven solutions, including AI-based tools, to enhance operational efficiency and governance.	Mr. Jena specializes in project execution, site operations, and cross-functional team management. His vast industry experience enables him to anticipate challenges and drive solutions proactively. Under his guidance, Desco has strengthened its execution capabilities, ensuring smooth implementation of projects across various geographies.	Mr. Gurnani brings expertise in company law, SEBI regulations, cyber law, and capital market practices. He is committed to supporting ethical governance, enhancing compliance systems, and contributing to board-level decision-making with a focus on transparency and long-term value creation.

Member/Chairperson of the Committees of the Company	Member of Stakeholders Relationship Committee and CSR Committee	Not a member and chairman of any committee	NA
Directorship held in other companies	NO	NO	NAVYBLUE PROFESSIONAL PRIVATE LIMITED
Names of listed entities in which the person also holds the directorship and the membership of Committees of the board along with listed entities from which the person has resigned in the past three years	NO	NO	NA
Number of shares held in the Company	608814	0	0
Remuneration drawn	12.70 Lacs	15.20 Lacs	NA
Relationship with other directors, manager and key managerial personnel of the Company	Son of Chairman and brother of Whole-time director	No	No
Number of Meetings of the Board attended during the year	29	29	00

## BOARD'S REPORT

To,  
The Members,  
Desco Infratech Limited

Your directors have pleasure in presenting their Fourteenth (14<sup>th</sup>) Annual Report on the business and operations of the company together with Audited Financial Statements for the Financial Year ended 31<sup>st</sup> March, 2025.

### 1. FINANCIAL HIGHLIGHTS- AT A GLANCE:

Particulars	2024-25 Amount (In Lacs)	2023- 2024 Amount (In Lacs)
Revenue from Operations	5944.71	2939.31
Other Income	16.37	3.97
<b>Profit/(Loss) before Depreciation, Tax and Extraordinary Items</b>	<b>1231.45</b>	<b>496.25</b>
Less: Depreciation	21.61	15.73
<b>Profit/(Loss) before tax and Exceptional Item</b>	<b>1209.84</b>	<b>480.52</b>
Less/(Add): Exceptional Item	0.00	0.00
<b>Profit/(Loss) before tax and Extraordinary Items</b>	<b>1209.84</b>	<b>480.52</b>
Less: Extraordinary Items	0.00	0.00
<b>Profit before prior period and tax</b>	<b>1209.84</b>	<b>480.52</b>
Less: Prior Period	0.54	4.45
<b>Profit/(Loss) before tax</b>	<b>1209.30</b>	<b>476.08</b>
Less/(Add): Provision for Income Tax	306.31	151.61
Less/(Add): Deferred tax Liability/(Assets)	(2.72)	(7.67)
<b>Profit/(Loss) after tax</b>	<b>905.71</b>	<b>332.14</b>
Add: Balance B/F from the previous year	836.56	469.57
Add/Less: Adjustments	0.00	(34.85)
<b>Balance Profit/ (Loss) C/F to the next year</b>	<b>1742.27</b>	<b>836.56</b>

#### ✓ Overall Performance of your Company

During the year under review, the Company has recorded revenue from operations of ₹5944.71 Lakhs as against ₹2939.31 Lakhs in the previous year. The Company has earned a net profit of ₹905.71 Lakhs during the year as compared to a net profit of ₹332.14 Lakhs in the previous year.

The Company successfully completed its maiden IPO, which received an overwhelming response from the investors. This achievement demonstrates success and credibility of our business model and strategies.

## 2. DIVIDEND:

The Company is in the growth phase and expanding business activities. Thus, to fund the expansion projects, acquisition and to augment working capital requirements, your directors do not recommend any dividend for the financial year ended March 31, 2025.

## 3. TRANSFER TO RESERVES:

There is no amount proposed to be transferred to reserves during the year under review for the financial year ending on March 31, 2025.

## 4. SHARE CAPITAL

### Change in Authorised Share Capital:

During the year under review, pursuant to the shareholders' approval received in the Extraordinary General Meeting dated September 25, 2024, the Company has increased the Authorized share capital of the Company from 49,00,000/- (Rupees Forty Nine Lakhs Only) divided into 4,90,000 (Four Lakhs Ninety Thousand) Equity Shares of 10/- (Rupees Ten only) each to 9,00,00,000/- (Rupees Nine Crores only) divided into 90,00,000 (Ninety Lakhs) Equity Shares of 10/- (Rupees Ten only) each by creation of additional 8,51,00,000 (Eight Crores Fifty One Lakhs) Equity Shares of 10/- (Rupees Ten only) each ranking pari passu with the existing Equity Shares.

### Issue of Shares, including disclosure about ESOP and Sweat Equity Share:

#### Issue of Bonus equity shares:

During the year under review, in order to encourage the shareholders' continued support, the Board has allotted 53,13,452 equity shares having face value of 10/- each as bonus equity shares, in the ratio of Seventeen (17) equity share having face value of 10/- each for every One (1) existing equity share having face value of 10/- each in the meeting of September 25, 2024. The issue of Bonus Shares has been approved by the shareholders of the Company in the Extra-ordinary General Meeting dated September 25, 2024.

#### Issuance of the equity shares by way of preferential issue on private placement basis:

During the year under review, pursuant to the shareholders' approval granted at the Extra-Ordinary General Meeting on April 30, 2024, the company allotted 11,569 (Eleven Thousand Five Hundred Sixty-Nine) equity shares (Tranche 1) through a preferential issue on a private placement basis. The shares were issued at a price of 1901 (Rupees One Thousand Nine Hundred and One only) each, which includes a premium of 1891 (One Thousand Eight Hundred and Ninety-One only) per equity share with a face value of 10/- (Rupees Ten only) in the Meeting of Board of Directors of the Company held on April 06, 2024.

During the year under review, pursuant to the shareholders' approval granted at the Extra-Ordinary General Meeting on August 20, 2024, the company allotted 23,209 (Twenty-Three Thousand Two Hundred Nine) equity shares (Tranche 2) through a preferential issue on a private placement basis. The shares were issued at a price of 2195 (Rupees Two Thousand One Hundred and Ninety-Five only) each, which includes a premium of 2185 (Rupees Two Thousand One Hundred and Eighty-Five only) per equity share with a face value of 10/- (Rupees Ten only) in the Meeting of Board of Directors of the Company held on September 11, 2024.

#### **Public Issue - Initial Public Offer ("IPO"):**

During the year under review, pursuant to the shareholders' approval granted at the Extra-Ordinary General Meeting on September 26, 2024, the Company successfully completed its Initial Public Offering (IPO) by issuing 20,50,000 (Twenty Lakhs Fifty Thousand) equity shares at a price of 150 (Rupees One Hundred and Fifty only) each, which includes a premium of 140 (Rupees One Hundred and Forty only) per equity share with a face value of 10/- (Rupees Ten only) in the Meeting of Board of Directors of the Company held on March 27, 2025, by way of listing its securities on SME platform of Bombay Stock Exchange ('BSE') on April 01, 2025.

The Directors placed on record their appreciation of contributions made by the entire IPO team with all the dedication, diligence and commitment which led to successful listing of the Company's equity shares on the BSE SME platform. Further, the success of the IPO reflects the trust and faith reposed in the Company by the Investors, customers and business partners and the Directors thank them for their confidence in the Company.

The Authorised Share Capital of the company as on March 31, 2025 is 9,00,00,000/- (Rupees Nine Crores only) divided into 9,00,000 (Nine Lakhs only) equity shares of 10/- (Rupees Ten only) each.

The paid-up Share Capital of the company as on March 31, 2025 is 7,67,60,080/- (Rupees Seven Crores Sixty-Seven Lakhs Sixty Thousand Eighty only) divided into 76,76,008 (Seventy-Six Thousand Seventy-Six Hundred Eight only) equity shares of 10/- (Rupees Ten only) each.

#### **5. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND**

There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company, if any.

## 6. DETAILS OF SUBSIDIARY COMPANIES, JOINT VENTURE AND ASSOCIATE COMPANIES:

The Company is not having any Subsidiary Company/ Joint Venture/ Associate Company during the financial year 2024-25. A statement about Subsidiary / Joint Ventures / Associate Company in the form AOC-1 is not applicable.

## 7. MANAGEMENT DISCUSSION & ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is presented in a separate section of this Annual Report.

## 8. COMPLIANCE WITH SECRETARIAL STANDARDS

The Board of Directors of the company affirms that the company has complied with the applicable Secretarial Standards (SS-1 and SS-2) issued by the Institute of Company Secretaries of India relating to meetings of Board of Directors and its Committees and meetings of Shareholders of the company.

## 9. MAINTENANCE OF COST RECORD:

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 are not applicable to the company for the period under review.

## 10. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

- Composition of Board and Key Managerial Personnel:  
Board Composition:

Mr. Pankaj Pruthu Desai	Chairman & Managing Director
Mr. Malhar P Desai	Whole-time Director
Mr. Samarth Pankaj Desai	Executive Director
Mr. Amulya Jena	Executive Director
Mr. Kaushal Rangoonwala	Independent Director
Mr. Mahendra Sabarsinh Gusain	Independent Director
Mr. Anand Jayramkrishnan	Independent Director
Mrs. Anita Digbijay Paul	Independent Director
Mrs. Hina Desai*	Director
Mrs. Indiraben Desai**	Director

\* Resigned W.e.f. July 31, 2024

\*\* Resigned W.e.f. June 7, 2024

Whole-time Key Managerial Personnel in terms of Section 203 of the Act:

\* Mr. Rushabh Mashkaria- Chief Financial Officer

\* Ms. Muskan Khandal- Company Secretary & Compliance Officer

- **Change in Directors /Key Managerial Personnel During the Year:**  
During the period under report, the following changes took place in the composition of Directors and KMP of the company:  
\* Ms. Prinkle Jain has resigned from the position of Chief Financial Officer on 16/06/2025.  
\* Ms. Javanika Gandharva resigned from the position of Company Secretary on 03/04/2025.
  
- **Directors retire by rotation**  
As per the provisions of the Act, Mr. Amulya Kumar Jena (DIN: 09594511) and Mr. Samarth Pankaj Desai (DIN: 08019677), Directors of the Company, retires by rotation in the ensuing Annual General Meeting and being eligible, offers themselves for re-appointment. The Board recommends their reappointment at the Annual General Meeting of the Members of the Company.
  
- **Declaration by the Independent Directors**  
The Independent Directors have confirmed that they meet the criteria of independence laid down under Section 149(6) read with Schedule IV of the Act and Regulation 16(1)(b) of the Listing Regulations and that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. The board of directors have taken on record the declaration and confirmation submitted by the independent directors after undertaking due assessment of the veracity of the same and is of the opinion that they fulfil the conditions specified in the Act and the Listing Regulations and that they are independent of the management.

#### **COMMITTEES OF BOARD:**

There are three Committees constituted as per Companies Act, 2013, which are as follows;

- a) Audit Committee;
- b) Nomination and Remuneration Committee;
- c) Stakeholder's Relationship Committee.

#### **A. Audit Committee**

The Board had constituted qualified Audit Committee pursuant to provision of Companies Act, 2013 as well as Regulation of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The constitution of said Committee was approved by a meeting of the Board of Directors held on September 26, 2024. The Audit Committee confirms to extent SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 in all respects concerning its constitution, meetings, functioning, role and powers, mandatory review of required information, approved related party transaction & accounting treatment for major items. It also fulfils the requirements as set out in the Companies Act, 2013

**Composition of Audit Committee is as below:**

- |                             |                                   |
|-----------------------------|-----------------------------------|
| a) Mr. Kaushal Rangoonwala  | - Independent Director (Chairman) |
| b) Mr. Anand Jayramkrishnan | - Independent Director (Member)   |
| c) Mr. Malhar P Desai       | - Whole-time Director (Member)    |

**Terms of Reference:**

The terms of reference of Audit Committee include overseeing the Company's financial reporting process and disclosure of financial information, reviewing with the management, the quarterly and annual financial statements before submission to the Board for approval; reviewing with the management, the performance of Statutory and Internal Auditors and adequacy of internal control systems and all other roles specified under Regulation 18 of Listing regulations and as per Section 177 of the Companies Act, 2013 read with rules framed thereunder.

**B. Nomination and Remuneration Committee:**

The nominated and remuneration policy is being formulated in compliance with section 178 of the Companies Act, 2013 and rules made there under and Regulations of SEBI (Listing Obligation and Disclosure Requirements) regulations 2015. The constitution of said Committee was approved by a meeting of the Board of Directors held on September 26, 2024.

**Composition of Nomination and Remuneration Committee is as below:**

- |                                  |                                   |
|----------------------------------|-----------------------------------|
| a) Mr. Kaushal Rangoonwala       | - Independent Director (Chairman) |
| b) Mr. Mahendra Sabarsinh Gusain | - Independent Director (Member)   |
| c) Mrs. Anita Digbijay Paul      | - Independent Director (Member)   |

**Term of Reference:**

- Determine/ recommend the criteria for appointment of Executive, Non-Executive and Independent Directors to the Board and Identify candidates who are qualified to become Directors and who may be appointed in the Committee and recommend to the Board their appointment and removal;
- Review and determine all elements of remuneration package of all the Executive Directors, i.e. salary, benefits, bonuses, stock options, pension etc;
- Review and determine fixed component and performance linked incentives for Directors, along with the performance criteria;
- Determine policy on service contracts, notice period, severance fees for Directors and Senior Management;
- Formulate criteria and carry out evaluation of each Director's performance and performance of the Board as a whole;
- Structure and design a suitable retaining Policy for board and senior management team.

### C. Stakeholders' Relationship Committee:

Pursuant to Provisions of Companies Act, 2013 and rules made there under and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015; Company Constituted Stakeholders' Relationship Committee and Decided Role of said Committee. The constitution of said Committee was approved by a meeting of the Board of Directors held on September 26, 2024.

#### Composition of Stakeholders' Relationship Committee is as below:

- |                                   |                                 |
|-----------------------------------|---------------------------------|
| a) Mr. Mahendra Sabarsinh Gusain- | Independent Director (Chairman) |
| b) Mr. Samarth Pankaj Desai-      | Director (Member)               |
| c) Mr. Pankaj Pruthu Desai-       | Managing Director (Member)      |

#### Terms of Reference:

The Committee ensures cordial investor relations and oversees the mechanism for redressal of investors' grievances. The Committee specifically looks into redressing shareholders'/ investors' complaints/ grievances pertaining to share transfers, non-receipt of annual reports, non-receipt of dividend and other allied complaints. This Committee delegated most of its functions to Registrar and Transfer Agents i.e. "Bigshare Services Private Limited" and has periodic interaction with the representatives of the Registrar and Transfer Agent of the Company. The Committee performs the following functions: -

- Noting Transfer/Transmission of shares.
- Review of Dematerialization/ Rematerialization of shares.
- Issue of new and duplicate share certificates.
- Registration of Power of Attorneys, Probate, Letters of Transmission or similar other documents.
- Monitor expeditious redressal of investor grievance matters received from Stock Exchange(s), SEBI, ROC, etc.;
- Monitors redressal of queries/complaints received from members relating to transfers, non-receipt of Annual Report, dividend, etc.
- All other matters related to shares.

## 11. VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Company has adopted Vigil Mechanism/Whistle Blower Policy in accordance with the provisions of Section 177 of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Under this policy, your Company encourages its employees to report any reporting of fraudulent financial or other information to the stakeholders, and any conduct that results in violation of the Company's code of business conduct, to the management (on an anonymous basis, if employees so desire). Further, your Company has prohibited discrimination, retaliation or harassment of any kind against any

employees who, based on the employee's reasonable belief that such conduct or practice have occurred or are occurring, reports that information or participates in the investigation. The Vigil Mechanism/Whistle Blower Policy is being made available on the Company's website <https://descoinfra.co.in>.

## 12. DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013 the directors of the company confirm that:

- (a) In the preparation of the Annual Accounts for the financial year ended on 31<sup>st</sup> March, 2025 the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31<sup>st</sup> March, 2025 and of the profit and loss account of the company for that period.
- (c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- (d) The directors have prepared the Annual accounts on a 'going concern basis' and
- (e) The directors have laid down internal financial controls to be followed by the Company, and such internal financial controls are adequate and are operating effectively; and
- (f) The directors have devised proper systems to ensure compliance with the provisions of all the applicable laws and that such systems were adequate and operating effectively.

## 13. MEETINGS:

### ❖ Board Meetings:

The Board of Directors of the company met 29 times during the FY 2024-25:

SN	Date of Meeting	No. of Directors Board	of on	No. of Directors Present	Attendance %
1.	06/04/2024	5		5	100%
2.	08/05/2024	5		5	100%
3.	22/05/2024	5		5	100%
4.	23/05/2024	5		5	100%
5.	07/06/2024	5		5	100%
6.	18/06/2024	4		4	100%
7.	29/06/2024	4		4	100%
8.	05/07/2024	4		4	100%
9.	31/07/2024	3		3	100%

10.	13/08/2024	3	3	100%
11.	31/08/2024	8	8	100%
12.	07/09/2024	8	8	100%
13.	11/09/2024	8	8	100%
14.	24/09/2024	8	8	100%
15.	25/09/2024	8	8	100%
16.	26/09/2024	8	8	100%
17.	29/09/2024	8	8	100%
18.	30/09/2024	8	8	100%
19.	19/10/2024	8	8	100%
20.	11/11/2024	8	8	100%
21.	05/12/2024	8	8	100%
22.	09/12/2024	8	8	100%
23.	20/12/2024	8	8	100%
24.	25/01/2025	8	8	100%
25.	17/02/2025	8	8	100%
26.	13/03/2025	8	8	100%
27.	17/03/2025	8	8	100%
28.	21/03/2025	8	8	100%
29.	27/03/2025	8	8	100%

The maximum gap between the two meetings did not exceed 120 days, as prescribed under the Companies Act, 2013.

❖ **Committee Meeting**

**A. Audit Committee**

During the financial year the Audit Committee of the company met 03 times during the FY 2024-25

SN	Date of Meeting	No. Members of Committee	of on	No. Members Present	of	Attendance %
1	26/09/2024	3		3		100%
2	20/12/2024	3		3		100%
3	17/02/2025	3		3		100%

**B. Nomination and Remuneration Committee:**

During the financial year the Nomination and Remuneration Committee of the company met once during the FY 2024-25

SN	Date of Meeting	No. Members of Committee	of on	No. Members Present	of	Attendance %
1.	05/10/2024	3		3		100%

### C. Stakeholders' Relationship Committee:

During the financial year the Stakeholders' Relationship Committee of the company met once during the FY 2024-25.

SN	Date of Meeting	No. of Members Committee	of on	No. of Members Present	Attendance %
1.	09/01/2025	3		3	100%

#### 14. EXTRACT OF ANNUAL RETURN:

In compliance of Section 92 and Section 134 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the extract of Annual Return of the Company for the FY 2024-25 is available on the Company's website and can be accessed at <https://descoinfra.co.in>.

#### 15. STATUTORY AUDITOR & SECRETARIAL AUDITOR WITH THEIR QUALIFICATION, RESERVATION OR ADVERSE REMARKS ALONG WITH THE EXPLANATION OR COMMENTS BY THE DIRECTORS:

##### ❖ STATUTORY AUDITOR:

During the year under review, pursuant to the provisions of Section 139 of the Act and Rules made thereunder, M/s. K A Sanghavi and Co. LLP, (FRN: 0120846W/W100289), were appointed as Statutory Auditors of the Company for a term of five consecutive years, to hold office from the conclusion of the Thirteen (13th) AGM held on September 23, 2024 until the conclusion of Eighteen (18th) AGM of the Company to be held in the calendar year 2029. The Auditors have also confirmed that they have subjected themselves to the peer review process of Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the Peer Review Board of the ICAI.

M/s. K A Sanghavi and Co. LLP, have submitted their Report on the Financial Statements of the Company for the FY 2024-25, which forms part of the Annual Report 2024-25. There are no observations (including any qualification, reservation, adverse remark or disclaimer) of the Auditors in the Audit Reports issued by them which call for any explanation/comment from the Board of Directors.

##### Qualification(s) and Directors' comments on the report of Statutory Auditor:

The observations made in the Auditor's Report are self-explanatory and do not require further explanation. There was no adverse remark in audit report.

❖ **SECRETARIAL AUDITOR:**

Pursuant to provision of Section 204 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014, the Company has appointed M/s. M.D. Baid & Associates, Company Secretaries to undertake Secretarial Audit of the Company for FY 2024-25.

The Secretarial Audit was conducted by Mr. Shreyansh M. Jain, Practicing Company Secretary, and the report thereon is annexed herewith as "Annexure- A".

**Qualification(s) and Directors' comments on the report of Secretarial Auditor:**

There are qualifications, reservations or adverse remarks made by Secretarial Auditors in their Report and the same is self-explanatory.

❖ **INTERNAL AUDITOR:**

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

#### 16. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS U/S 186:

There are no loans, investments, guarantees, and security in respect of which provisions of section 185 and 186 of the Companies Act, 2013 is applicable and accordingly, the requirement to report on clause 3(iv) of the Order with respect to section 185 and 186 of the Companies Act, 2013 is not applicable to the Company.

#### 17. PARTICULAR OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES UNDER SECTION 188 OF THE COMPANIES ACT, 2013:

All transactions entered into with related parties during the financial year were in the ordinary course of business and on an arm's length basis. There were no material related party transactions undertaken by the Company during the year under review which would require approval of the Members or disclosure in Form AOC-2 pursuant to the provisions of the Companies Act, 2013 and the Rules made thereunder.

The details of related party transactions, as required under the applicable Accounting Standards, are disclosed in the Notes to the Audited Financial Statements forming part of this Annual Report. All related party transactions were placed before the Audit Committee and the Board of Directors for their review and approval in compliance with the applicable provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

#### 18. DEPOSITS

The details relating to the deposits covered under Chapter V of the Act are as under:

a. Accepted during the year:

Your company has not accepted any deposits within the meaning of Section 2(31) read with Section 73 of the Companies Act, 2013 and as such no amount of principal or interest was outstanding as on the date of the Balance Sheet.

- b. Remained unpaid or unclaimed as at the end of the year: None
- c. whether there has been any default in repayment of deposits or payment of interest thereon during the year: None
- d. The details of deposits which are not in compliance with the requirements of Chapter V of the Act: None

## 19. CONSERVATION OF ENERGY TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUT GO:

The information relating to conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of Companies (Accounts) Rules, 2014 is given hereunder.

### A. CONSERVATION OF ENERGY:

i.	The steps taken or impact on conservation of energy	Nil
ii.	The steps taken by the company for utilizing alternate sources of energy	Nil
iii.	The capital investment on energy conservation equipment's	Nil

### B. RESEARCH AND DEVELOPMENTS:

i.	The efforts made towards technology absorption	Nil
ii.	The benefits derived like product improvement, cost reduction, product development or import substitution	Nil
iii.	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)	Nil
	(a) the details of technology imported	Nil
	(b) the year of import;	Nil

	(c) whether the technology been fully absorbed	Nil
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Nil
iv.	The expenditure incurred on Research and Development	Nil

### C. FOREIGN EXCHANGE EARNING AND OUT GO:

The foreign exchange earnings of the company is NIL

The foreign exchange out go of the company is NIL

### **20. BOARD EVALUATION:**

The Board of Directors have evaluated the performance of all Independent Directors, Non-Independent Directors and its Committees. The Board deliberated on various evaluation attributes for all directors and after due deliberations made an objective assessment and evaluated that all the directors in the Board have adequate expertise drawn from diverse industries and business and bring specific competencies relevant to the Company's business and operations. The Board found that the performance of all the Directors was quite satisfactory.

The Board also noted that the term of reference and composition of the Committees was clearly defined. The Committee performed their duties diligently and contributed effectively to the decisions of the Board.

The functioning of the Board and its committees were quite effective. The Board evaluated its performance as a whole and was satisfied with its performance and composition of Independent and Non-Independent Directors.

### **21. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

There were no material changes and commitments affecting the financial position of the Company occurred between the end of the financial year of the Company to which this financial statement relates and on the date of this report.

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

To the best of the Management's knowledge, no significant and material order(s) were passed by any regulator(s) or courts or tribunals which could impact the going concern status and company's operation in future.

## 23. RISK MANAGEMENT POLICY:

Risks are events, situations or circumstances which may lead to negative consequences on the Company's business. Risk Management is a structured approach to manage uncertainty. An enterprise wide approach to Risk Management is being adopted by the Company and key risks will now be managed within a unitary framework. As a formal roll-out, all business divisions and corporate functions will embrace Risk Management Structure, and make use of these in their decision making. Key business risks and their mitigation are considered in the annual/strategic business plans and in periodic management reviews. The risk management process over the period of time will become embedded into the Company's business system and processes, such that our responses to risk remain current and dynamic.

## 24. CORPORATE SOCIAL RESPONSIBILITY [CSR]:

There was no obligation for the company to spend any amount towards CSR during the financial year 2024-25 as the criteria prescribed Section 135 of the Companies Act, 2013 in respect of mandatory CSR spent was not applicable to the company. Accordingly, separate disclosure in terms of Section 135 of the Companies Act, 2013 read with The Companies (Corporate Social Responsibility Policy) Rules, 2014, Rule 9 of the Companies (Accounts) Rules 2014 and Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, has not been provided in the annual report on Corporate Social Responsibility activities of the Company. However, considering that during the financial year 2024-25, the profit of the company has surpassed the threshold of Rs.5 crores prescribed for mandatory CSR expenditure, the company has formed a Corporate Social Responsibility Committee ("CSR Committee") in compliance with Section 135 of the Companies Act, 2013 read with the Rules made thereunder to oversee the CSR activities and adopted a CSR policy as part of implementing CSR activities during the financial year 2025-26.

## 25. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company has duly complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of woman at Workplace (Prevention Prohibition and redressal) Act, 2013 and the company has in place an

Anti-Sexual Harassment policy in line with the requirement of the Act. The following is the summary of the complaints received and disposed off during the financial year:

Sr. No.	Particulars	Details
i	Number of Sexual Harassment Complaint received	Nil
ii	Number of Sexual Harassment Complaint disposed off	NA
iii	Number of Sexual Harassment Complaint beyond 90 days	Nil

The Company has complied with the provisions of the Maternity Benefit Act, 1961, to the extent applicable. All necessary measures have been undertaken to ensure adherence to the statutory requirements prescribed under the said Act.

## 26. CORPORATE GOVERNANCE REPORT

The Equity Shares of the Company are listed on the SME platform (BSE-SME) of BSE Limited. Pursuant to Regulation 15(2) SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 the compliance with the Corporate Governance provision as specified in Regulation 17 to 27 and clause (b) to (i) of sub regulations (2) of regulation 46 and par as C, D and E of Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 shall not apply. The Company voluntarily mandated under Section 177 of the Companies Act, 2013 and Listing Regulations and is available on the website of the Company at <https://descoinfra.co.in>.

## 27. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a comprehensive Internal Financial Control system commensurate with the size, scale and complexity of its operation. The system encompasses the major processes to ensure reliability of financial reporting, compliance with policies, procedures, laws, and regulations, safeguarding of assets and economical and efficient use of resources.

The Company has performed an evaluation and made an assessment of the adequacy and the effectiveness of the Company's Internal Financial Control System. The Statutory Auditors of the Company have also reviewed the Internal Financial Control system implemented by the Company on the financial reporting and in their opinion, the Company has, in all material respects, adequate Internal Financial Control system over Financial Reporting and such Controls over Financial Reporting were operating

effectively as on 31st March, 2025 based on the internal control over financial reporting criteria established by the Company.

The policies and procedures adopted by the Company ensures the orderly and efficient conduct of its business and adherence to the company's policies, prevention and detection of frauds and errors, accuracy & completeness of the records and the timely preparation of reliable financial information.

## 28. PERSONNEL RELATIONS

Your Directors hereby place on record their appreciation for the services rendered by executives, staff and other workers of the Company for their hard work, dedication and commitment. During the year under review, relations between the Employees and the Management continued to remain cordial.

## 29. PARTICULARS OF EMPLOYEES

There was no employee drawing remuneration in excess of limits prescribed under section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The ratio of the remuneration of each whole-time director to the median of employees' remuneration as per Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this Report as Annexure- B.

## 30. FAMILIARIZATION POLICY

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

The details of such familiarization programmes for Independent Directors are posted on the website of the Company and can be accessed <https://descoinfra.co.in>.

## 31. CODE OF CONDUCT

The Board of Directors has laid down the code of conduct for all Board Members and members of the Senior Management of the Company. Additionally, all Independent Directors of the company shall be bound by duties of Independent Directors as set out in Companies Act, 2013 to be read with SEBI Listing Regulations, 2015.

All Board Members, Key Managerial Personnel and Senior Management Personnel have affirmed compliance with the Code of Conduct.

### 32. PREVENTION OF INSIDER TRADING:

The Company has adopted a Code of Conduct for Prevention of Insider Trading in compliance with the SEBI (Prohibition & Insider Trading) Regulations, 2015, as amended from time to time, with a view to regulate the trading in securities by the Directors and Designated Employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of shares of the Company by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the 'Trading Window' is closed. The Board is responsible for implementation of the code. All Directors and the designated Employees have confirmed compliance with the code.

### 33. REPORTING OF FRAUDS:

During the year under review, no instances of fraud is reported by the Statutory Auditors of the Company under Section 143 (12) of the Companies Act, 2013.

### 34. ACKNOWLEDGEMENT

The Directors hereby acknowledge the dedication, loyalty, hard work, solidarity and commitment rendered by the employees of the Company during the year. They would also like to place on record their appreciation for the continued patronage, assistance and guidance received by the Company during the year from bankers, government authorities, shareholders and other stakeholders and Stock Exchange authorities without whom the overall satisfactory performance would not have been possible.

For Desco Infratech Limited  
(Formerly known as Desco Infratech Private Limited)

Pankaj Pruthi Desai  
Managing Director  
DIN: 03344685

Malhar P Desai  
Whole-time Director  
DIN: 07293599

Place: Surat  
Date: 05.09.2025

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**For the financial year ended on 31<sup>st</sup> March, 2025**  
*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies*  
*(Appointment and Remuneration Personnel) Rules, 2014]*

To,  
The Members,  
**Desco Infratech Limited**  
CIN: U45201GJ2011PLC063710  
A-703, Swastik Universal,  
Next to Valentine Theatre, Dumas Road, Umra,  
Surat, Gujarat, India, 395007.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Desco Infratech Limited** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2025

- complied with the statutory provisions listed hereunder and
- proper Board-processes and compliance-mechanism in place;

to the extent, in the manner and subject to the reporting made hereinafter.

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Not applicable to the Company during the Audit Period)
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (Not applicable to the Company during the Audit Period)
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable to the Company during the Audit Period)
  - e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable to the Company during the Audit Period)
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not applicable to the Company during the Audit Period); and
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the Audit Period);

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

- i. Secretarial Standard issued by the Institute of Company Secretaries of India.
- ii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards etc. mentioned hereinabove except

1. *In respect of the Private Placement of 23,209 equity shares approved by the members of the Company at the Extra Ordinary General Meeting held on 20th August, 2024, and the subsequent allotment made at the Board Meeting held on 11th September, 2024, the following non-compliances were observed:*

- *The Company received share application money through banking channel in a separate bank account. However, the said monies were utilized before the*

*allotment of shares and filing of Form PAS-3 with the Registrar of Companies, which is not in compliance with Section 42(4) of the Companies Act, 2013.*

- *The Company has not complied with the provisions of Rule 14(1) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, inasmuch as the Private Placement Offer Letter in Form PAS-4 was circulated to identified persons after obtaining members' approval by way of Special Resolution, but prior to filing of e-Form MGT-14 with the Registrar of Companies.*

2. *Rule 9A(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 requires that, before making any offer of securities, an unlisted public company must ensure that the entire shareholding of its promoters, directors and key managerial personnel is held in dematerialised form. The Company allotted 53,13,452 bonus shares on September 30, 2024 in dematerialised form. However, on the date of allotment, the shares of certain promoters, directors and key managerial personnel were still in the process of being dematerialised.*

We further report that

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Women Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice was given to all Directors for scheduling the Board Meetings. The agenda and detailed notes on agenda were circulated at least seven days in advance, or at a shorter notice with the consent of the Board, in accordance with the applicable provisions, and
- a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

We further report that, based on our review of the compliance framework instituted by the Company and relying upon the compliance certificates issued by various departments, which have been duly placed before and noted by the Board of Directors at their respective meetings, we are of the opinion that the Company has in place adequate systems and processes, commensurate with its size and scale of operations, to effectively monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.

We further report that during the audit period; the Company undertook the following events/actions which have a significant bearing on its affairs:

1. Conversion from a Private Limited Company to an Unlisted Public Company, and consequent change of name from Desco Infratech Private Limited to Desco Infratech Limited, pursuant to approval granted by the Registrar of Companies, CPC, on 26th July, 2024.
2. Alteration of the Main Object Clause of the Memorandum of Association by inserting Clauses 2 to 8 under Clause III(A), approved by members through a Special Resolution at the General Meeting held on 1st June, 2024.
3. Adoption of a new set of Articles of Association, approved by members through a Special Resolution at the General Meeting held on 1st June, 2024.
4. Completion of a Private Placement of 11,569 equity shares of ₹10 each at an issue price of ₹1,901 per share.
5. Allotment under a Preferential Issue of 23,209 equity shares of ₹10 each at an issue price of ₹2,195 per share.
6. Issue of 53,13,452 bonus equity shares of ₹10 each, in the ratio of 17 equity shares for every 1 equity share held.
7. Launch of an Initial Public Offering (IPO) of 20,50,000 equity shares at an issue price of ₹150 per share, with listing of the equity shares on the SME Platform of BSE on 1st April, 2025.

For M. D. Baid & Associates  
Company Secretaries

Sd/-  
CS Mohan Baid  
Partner  
M. No. ACS 3598 CP No.: 3873  
PRN: 942/2020  
UI No. P2004GJ015700  
UDIN: A003598G001164373

Place: Surat  
Date: 04/09/2025

This Report is to be read with our letter annexed as Appendix –A, which forms integral part of this report.

## Appendix-A

To,  
The Members,  
**Desco Infratech Limited**  
CIN: U45201GJ2011PLC063710  
A-703, Swastik Universal,  
Next to Valentine Theatre, Dumas Road, Umra,  
Surat, Gujarat, India, 395007.

### Auditor's Responsibility

Based on audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. We conducted our audit in accordance with the auditing standards CSAS 1 to CSAS 4 ("CSAS") prescribed by the Institute of Company Secretaries of India ("ICSI"). These standards require that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the CSAS. Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company and for which we relied on the report of statutory auditor.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For M. D. Baid & Associates  
Company Secretaries

Sd/-  
CS Mohan Baid  
Partner  
M. No. ACS 3598 CP No.: 3873  
PRN: 942/2020  
UI No. P2004GJ015700  
UDIN: A003598G001164373

Place: Surat  
Date: 04/09/2025

## Annexure B

## Disclosure under Section 197(12) of the Companies Act, 2013

Read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Name of Director	Designation	Remuneration FY [Previous] (₹ in Lakhs)	Remuneration FY [Current] (₹ in Lakhs)	% Increase in Remuneration	Median Remuneration of Employees (₹ in Lakhs)	Ratio (Director's Remuneration / Median Remuneration)
Mr. Pankaj Desai	Managing Director	7.00	13.20	88.57%	2.70	0.99:1
Mr. Malhar Desai	Whole-time Director	12.00	13.40	11.67%	2.70	1.01:1
Mr. Samarth Desai	Director	12.00	12.70	5.83%	2.70	0.95:1
Mr. Amulya Jena	Director	12.00	15.20	26.67%	2.70	1.14:1
Ms Prinkel Jain	CFO	0.00	13.20	NA	2.70	4.89:1
Ms Javanika Gandharva	Company Secretary	0.00	6.60	NA	2.70	2.44:1

## Additional Information:

- Percentage increase in the median remuneration of employees during the year: 10%
- Number of permanent employees on the rolls of the Company as on 31.03.2025: 270
- Average percentile increase in salaries of employees other than managerial personnel: 10%
- Comparison with managerial remuneration increase: 23.19%
- Affirmation: The remuneration paid is in accordance with the Remuneration Policy of the Company.

# INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF  
DESCO INFRATECH LIMITED  
(Formally Known as DESCO INFRATECH PRIVATE LIMITED)

## Report on the Financial Statements

### Opinion

We have audited the accompanying Financial Statements of DESCO INFRATECH LIMITED Formally Known as DESCO INFRATECH PRIVATE LIMITED ("the company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss and Cash Flow Statements for the period then ended and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information. (hereinafter referred to as "the Financial Statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2006 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025 and its profit and cash flow for the period ended on that date.

### Basis for Opinion

We conducted our audit of the Financial Statements 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 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 ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context. We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatements of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the

basis for our audit opinion on the accompanying financial statements.

Sr. No.	Key Audit Matter	How the matter was addressed in our audit
1.	<p><b>Evaluation of procedure for recognizing the revenue from Contract</b></p> <p>As described in Note 22 to the financial statements, the Company recognizes revenue from contracts on the basis of the work completion. Revenue is determined based on the percentage of project completion, certified by an independent Chartered Engineer, and accordingly the same is recognized as revenue.</p> <p>The recognition of revenue involves significant management judgment, particularly in determining the stage of timing of completion, certification, and matching against revenue already billed. This area is considered to be a key audit matter due to the materiality of the balance, the reliance on technical certification for revenue recognition, and the risk of potential misstatement in revenue recognition.</p>	<p>Our audit procedures included, among others:</p> <ul style="list-style-type: none"> <li>• Obtaining and verifying various contracts awarded to the company, the scope of work described in the contract.</li> <li>• Obtaining and verifying completion certificates issued by the Chartered Engineer as at the reporting date.</li> <li>• Recomputing the revenue by applying the reported percentage of completion to the contract value and deducting the revenue already billed.</li> <li>• Assessing the reasonableness of the percentage of completion by inspecting supporting documentation such as project progress reports and physical verification reports maintained and provided by the management.</li> <li>• Reviewing subsequent billing and customer confirmations, where available, to evaluate the appropriateness the revenue recognized.</li> <li>• Evaluating the adequacy of the related disclosures made in the financial statements.</li> </ul>
	<p><b>Evaluation of Property Plant &amp; Equipment:</b></p> <p>The Company has adopted the procedure to recognize the item under PPE by identifying the particular item to be capitalized and accordingly to cover the same under Property, plant and Equipment. The company has adopted the procedure to identify all related costs incurred in respect of the said</p>	<p>We have obtained and verified the relevant evidences for acquiring the goods to be classified under Property, Plant and Equipment along with the related purchase orders issued and contracts entered into by the company with respective vendors for acquiring or constructing the Property, Plant and Equipment with its actual date of use for its intended purpose. We have obtained the</p>

	item to be covered under Property, Plant and Equipment along with the recording of the same in the fixed asset register maintained by the company.	records in respect of the recording and classifying the said item under respective block (group) of the Property, Plant and Equipment. We have obtained the information and relevant documents from the management regarding the determination and estimation of useful life of the said asset.
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### Other Information

The company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the company's annual report, management discussion and analysis, Board's report including Annexures to Board's report but does not include the Financial Statements and our auditor's report thereon.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

If, based on the work we have performed, we conclude that there is 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 Director's Responsibility for the Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the Accounting Standards specified under Section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error

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

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

## Auditor's Responsibility for the Audit of the 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 scepticism 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements 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 in the Financial Statements made by management and the Board of Directors.
- Conclude on the appropriateness of management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any

identified misstatements in the Financial Statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013 we give in the "Annexure-A", a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. (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 appears from our examination of those books except for the matters stated in paragraph 2(C)6 below on reporting under Rule 11(g) of The Companies (Audit and Auditors) Rules, 2014;
  - c. The Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the relevant book of account;
  - d. In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e. On the basis of written representations received from the directors as on 31 March, 2025, taken on record by the Board of Directors, none of the directors are disqualified as on 31st march, 2025, from being appointed as a director in terms of Section 164(2) of the Act; and
  - f. The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(A)b above on reporting under Section 143(3)(b) of

the Act and paragraph 2(C)6 below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

- g. With respect to the adequacy of the internal financial controls over financial reporting of these standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

- (B) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the current period is in accordance with the provisions of section 197 of the Act.

The remuneration paid to any director is not in excess of the limits laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.

- (C) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

1. The Company has disclosed the impact of pending litigations as at 31 March, 2025 on its financial position in its Financial Statements- Refer Note No.42 to the Financial Statements.
2. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
3. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company, if any.
4.
  - a. The Management has represented that, to the best of its knowledge and belief, to the Financial Statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - b. The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall whether,

directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
5. During the year, the Company has not declared or paid any dividend in contravention of the provisions of Section 123 of the Companies Act, 2013.
  6. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023. Based on our examination which included test checks, except for the instances mentioned below, the Company has used accounting software for maintaining its books of account, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the period for all relevant transactions recorded in the respective software. Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with.
    - I. The feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes and at application layer for the accounting software used for maintaining the books of account relating to Fixed Assets Register throughout the year.
    - II. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2024, and the company has the system of preservation of audit trail as per the statutory requirements for record retention for the period ended March 31, 2025.

for K A SANGHAVI AND CO. LLP  
Chartered Accountants  
FRN: 120846W / W100289

Place: SURAT  
Date: May 09, 2025

Sd/-  
KEYUR ASHVINBHAI SANGHAVI  
M. NO. 109227  
ICAI UDIN: 25109227BMIPP6235  
1001, 1002, 1003, RAJHANS BONISTA,  
RAM CHOWK, GHOD DOD ROAD,  
SURAT-395007 GUJARAT

## Annexure A to the Independent Auditors Report

(Referred to in paragraph 1 under the heading Report on other legal and regulatory requirements of our report)

Re: DESCO INFRA TECH LIMITED (Formerly known as DESCO INFRA TECH PRIVATE LIMITED)

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the period ended 31<sup>st</sup> March, 2025 we report that:

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- I.
  - a. (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.  
  
(B) The Company has maintained proper records showing full particulars of Intangible Assets.
  - b. The company has a regular programme of physical verification of its Property, Plant and equipment by which all Property, Plant and Equipment are physically verified by the management in the phased manner over the period of three years. In accordance with this programme, certain Property, Plant and Equipment were verified during the year and no material discrepancies were noticed on such verification. In our opinion, the periodicity of such physical verification is reasonable having regard to the size of the Company and the nature of its assets.
  - c. Based on the examination of the records and according to the information and explanation given to us by the management, we report that during the year under audit the company has not owned any immovable property (other than those that have been taken on lease and lease agreements are duly executed in favour of the company) and hence this clause is not applicable. The company has not revalued any of its Property, Plant and Equipment including intangible assets during the year ended on 31<sup>st</sup> March, 2025.
  - d. There are no proceedings initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- II.
  - a. The inventory includes, materials relating to work contracts. The management has conducted physical verification of inventory except goods-in-transit at reasonable intervals during the year and the coverage and procedures of physical verification of inventory followed by the management are appropriate in relation to the size of the Company and the nature of its business. No discrepancies of 10% or more were noticed in the aggregate for each class of inventory during the year.

- b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits of less than ₹5 crores in aggregate, at any point of time during the year, from any bank or financial institution on the basis of security of current asset. Therefore, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- III. During the year the Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, LLPs or other parties and hence provisions of clauses 3(iii) (a), (b), (c), (d), (e) and (f) of the Order are not applicable to the Company and hence not commented upon.
- IV. There are no loans, investments, guarantees, and security in respect of which provisions of section 185 and 186 of the Companies Act, 2013 is applicable and accordingly, the requirement to report on clause 3(iv) of the Order with respect to section 185 and 186 of the Companies Act, 2013 is not applicable to the Company.
- V. The company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the Rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- VI. The provisions of the Companies (Cost Records and Audit) Rules, 2014 as amended by the Companies (Cost Records and Audit) Amendment Rules, 2016 read with provisions of Sec. 148 sub clause (1) of The Companies Act, 2013 for the maintenance of cost records are not applicable to the company hence the company is not required to maintain cost records and hence not required to get the cost audit done as per provisions of the Companies (Cost Records and Audit) Rules, 2014.
- VII.
  - a. The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, Income-tax, TDS, TCS, GST, cess and other material statutory dues applicable to it. However, there are delays in depositing the dues in respect of TDS, TCS, GST, Provident funds, ESIC and Labour Welfare Fund contributions during the year. According to the information and explanations given to us and based on our audit procedures performed by us, following are the undisputed amounts payable in respect of these statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable. However, the same have been paid before the date of signing of this report.

## Statement of Arrears of statutory dues outstanding for more than Six Months:

Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which the amount Relates	Due Date	Date of payment	Remarks, if any
Income tax act,1961	TDS	15,610	April-2024	07-05-2024	28-04-2025	Nil
Income tax act,1961	TDS	1,390	May-2024	07-06-2024	28-04-2025	Nil
Income tax act,1961	TDS	760	June-2024	07-07-2024	28-04-2025	Nil
Income tax act,1961	TDS	105	Jul-2024	07-08-2024	28-04-2025	Nil
Income tax act,1961	TDS	3,844	Aug-2024	07-09-2024	28-04-2025	Nil

- b. Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2025 on account of disputes are given below:

Nature of Statute	Nature of Dues	Amount unpaid	Period to which the Amount relates (Financial Year)	Forum where Dispute is pending
Karnataka CGST Act,2017	Mismatch in turnover declared in GSTR3B and Form 26As under the Income Tax Act, 1961.	Rs.31.48 Lakhs	2019-20	Before Appellate authority
Gujarat CGST Act, 2017	Mismatch in the claim of ITC	Rs. 10.74 Lakhs	2019-20	Intimation in DRC-1A is received regarding mismatch in claim of ITC Credit. Reply submitted however hearing is pending before the concerned State Tax Authority.
Gujarat CGST Act, 2017	Mismatch in the claim of ITC	Rs. 8.82 Lakhs	2019-20	Pending before Designated Authority under GST Amnesty Scheme.

- VIII. The company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- IX.
- a. The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
  - b. The company has not been declared wilful defaulter by any bank or financial institution or government or any other lender.
  - c. The company has applied the money obtained by way of term loans during the year for the purposes for which they were obtained.
  - d. The company has not utilised funds raised on short-term basis for long term purposes.
  - e. The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
  - f. The company has not raised loans during the year on the pledge of securities held in its subsidiaries, associates or joint ventures.
- X.
- a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, during the year, the company has made the Initial Public Offer (IPO) of the equity shares and raised total IPO proceeds of Rs. 3075 Lakhs. The closure date of IPO was 26<sup>th</sup> March, 2025 and date of allotment was 27<sup>th</sup> March, 2025. Since the amount of IPO proceeds are received in bank account at the year-end therefore the same has not been utilised for the objects for which the IPO was made till the year end. As on the date of Balance sheet, the IPO proceeds were kept in the designated Escrow Bank Account. However, till the date of this report, the company has partly utilized the money raised by way of Initial public Offer (IPO) for the purpose for which they were raised as per the details given below. Out of the remaining amount, some portion was kept in bank account and the remaining amount was remained invested in Bank FD as on the date of this report as per the following details:

Nature of Fund raised	Purpose for which funds were raised	Total amount raised	Amount utilised for other purpose	Unutilised balance at the Balance sheet date	Details of Default (reason / delay)	Subsequently rectified and details
Initial Public Offer (IPO)	Capex for setting up of corporate office at Surat, Capex for purchase of machineries, funding of working capital requirements and general corporate purpose	Rs. 3075 Lakhs	NIL	Rs. 3075 lakhs	Reasons for delay is as explained hereinabove in clause X(a).	Out of unutilised amount Rs. 1843.33 Lakhs were utilised for the purpose for which the amount were raised for IPO till the date of this report. Out of remaining unutilised amount, Rs. 531.68 Lakhs were remained deposited in the bank account of the company and Rs. 700 Lakhs were invested in Bank FD for short term.

- b. In our opinion and according to the information and explanation given to us, during the year, the Company has made Private Placement of shares and the money raised through Private Placement were applied for the purpose for which those are raised.

- XI.
- No fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.
  - No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;
  - There are no whistle-blowers complaints received by the company during the year.
- XII. The company is not a Nidhi company. Accordingly, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.

- XIII. Transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the notes to the financial statements as required by the applicable accounting standards.
- XIV.
- a. The Company has adequate internal audit system commensurate with the size and nature of its business.
  - b. We have considered, the Internal Audit Report for the year under audit, issued by the Internal Auditor during the year and till date, in determining the nature, timing and extent of our audit procedures.
- XV. The Company has not entered into non-cash transactions with directors or persons connected with him hence requirement to report on clause 3(xv) of the Order are not applicable to the company.
- XVI.
- a. The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the company. Accordingly, the requirement to report on clause (xvi)(a) of the order is not applicable to the company.
  - b. The Company has not conducted any non-Banking Financial or Housing Finance activities without obtaining a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
  - c. The company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(d) of the order is not applicable to the company;
  - d. There is no core investment company as a part of group, hence requirement to report on clause 3(xvi)(d) of the Order is not applicable to the company.
- XVII. The company has not incurred any cash losses in the current financial year and in the immediately preceding financial year.
- XVIII. During the year, there was no resignation of statutory auditor and hence the provisions of this clause is not applicable.
- XIX. On the basis of the financial ratios disclosed in note 43(j), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans 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 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 respect of other than on-going projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 50(vii) to the standalone financial statements.
  - b. There are no unspent amounts in respect of on-going projects that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act.
- XXI. The company is not required to prepare Consolidated Financial Statements and hence the requirement to report on clause XXI of the Order is not applicable to the company.

for K A SANGHAVI AND CO LLP  
Chartered Accountants  
FRN: 120846W / W100289

Place: SURAT  
Date: May 09, 2025

Sd/-  
KEYUR ASHVINBHAI SANGHAVI  
M. NO. 109227  
ICAI UDIN: 25109227BMIPP6235  
1001, 1002, 1003, RAJHANS BONISTA,  
RAM CHOWK, GHOD DOD ROAD,  
SURAT-395007 GUJARAT

## ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of **DESCO INFRATECH LIMITED (Formerly known as DESCO INFRATECH PRIVATE LIMITED)** ("The Company") as of 31<sup>st</sup> March, 2025 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

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

### Auditors' Responsibility

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

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

### Meaning of Internal Financial Controls over Financial Reporting

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

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

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

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2025, 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. However, we are of the opinion that the company can make the Internal Controls on Financial Reporting more adequate and more effective considering the inherent risk and nature and size of the business activities carried out by the company.

For K A SANGHAVI AND CO LLP  
Chartered Accountants  
FRN: 120846W / W100289

Place: SURAT  
Date: May 09, 2025

Sd/-  
KEYUR ASHVINBHAI SANGHAVI  
M. NO. 109227  
ICAI UDIN: 25109227BMIPP6235  
1001, 1002, 1003, RAJHANS BONISTA,  
GHOD DOD ROAD, SURAT-395007 GUJARAT

## BALANCE SHEET AS AT 31/03/2025

(Amt. In Lakhs)

Particulars	Note No.	as at 31/03/2025	as at 31/03/2024
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	3	767.60	27.78
Reserves and surplus	4	5120.22	1183.66
Money received against share warrants		-	-
		5887.82	1211.44
Share application money pending allotment		-	-
<b>Non-current liabilities</b>			
Long-term borrowings	5	359.31	156.90
Deferred tax liabilities (Net)		-	-
Other Long-term liabilities	6	1.22	1.22
Long-term provisions	7	19.10	13.60
		379.64	171.71
<b>Current liabilities</b>			
Short-term borrowings	8	788.30	249.47
Trade payables	9		
Total outstanding dues of micro enterprises and small enterprises		190.98	116.45
Total outstanding dues of creditors other than micro enterprises and small enterprises		437.17	243.24
Other current liabilities	10	360.79	309.46
Short-term provisions	11	210.50	89.84
		1987.74	1008.46
<b>TOTAL</b>		<b>8255.19</b>	<b>2391.62</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Property, Plant and Equipment and Intangible Assets</b>			
Property, Plant and Equipment	12	157.70	134.06
Intangible assets		-	-
Capital work-in-progress	13	0.83	-
Intangible assets under development		-	-
		158.52	134.06
Non-current investments		-	-
Deferred tax assets (net)	14	18.89	16.17
Long-term loans and advances	15	134.90	83.07
Other non-current assets	16	70.90	55.68
		383.21	288.98
<b>Current assets</b>			
Current investments		-	-
Inventories	17	280.15	83.46

Trade receivables	18	1335.33	1476.72
Cash and cash equivalents	19	3117.48	35.16
Short-term loans and advances	20	537.10	70.69
Other current assets	21	2601.92	436.61
		7871.98	2102.63
<b>TOTAL</b>		<b>8255.19</b>	<b>2391.62</b>

See accompanying notes to financial statements which form an integral part of financial statement.

In terms of our attached report of even date

For K A SANGHAVI AND CO LLP

CHARTERED ACCOUNTANTS

FRN: 0120846W/W100289

For DESCO INFRATECH LIMITED

(Formerly known as DESCO INFRATECH PRIVATE LIMITED)

KEYUR ASHVINBHAI SANGHAVI	Sd/- PANKAJ PRUTHU DESAI	Sd/- MALHAR PANKAJBHAI DESAI	Sd/- PRINKLE SANJAY JAIN	Sd/- MUSKAN OMPRAKASH KHANDAL
(PARTNER)	(MANAGING DIRECTOR)	(WHOLE-TIME DIRECTOR)	(CHIEF FINANCIAL OFFICER)	(COMPANY SECRETARY)
M. NO. : 109227	(DIN: 03344685)	(DIN: 07293599)		
ICAI UDIN : 25109227BMIPPN6235				
Place : SURAT				
Date : 09/05/2025				

## **STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED** **31/03/2025**

In Lakhs except earning per share

Particulars	Note No.	For the Year Ended 31/03/2025	For the Year Ended 31/03/2024
Revenue from operations	22	5944.71	2939.31
Other income	23	16.37	3.97
<b>Total Income</b>		<b>5961.08</b>	<b>2943.28</b>
<b>Expenses</b>			
Cost of materials consumed	24	551.45	216.97
Purchases of Stock-in-Trade		-	-
Changes in inventories of finished goods work-in-progress and Stock-in-Trade		-	-
Employee benefits expense	25	648.00	778.13
Finance costs	26	119.43	52.43
Depreciation and amortization expense	27	21.61	15.73
Other expenses	28	3410.74	1399.50
<b>Total expenses</b>		<b>4751.24</b>	<b>2462.76</b>
Profit before exceptional, extraordinary and prior period items and tax		1209.84	480.52
Exceptional items		-	-
Profit before extraordinary and prior period items and tax		1209.84	480.52
Extraordinary Items		-	-
Profit before prior period items and tax		1209.84	480.52
Prior Period Items	29	(0.54)	(4.45)
Profit before tax		1209.30	476.08
Tax expense:	30		
Current tax		306.31	151.61
Deferred tax		(2.72)	(7.68)
Profit/(loss) for the period from continuing operations		905.71	332.14
Profit/(loss) from discontinuing operations		-	-
Tax expense of discontinuing operations		-	-
Profit/(loss) from Discontinuing operations (after tax)		-	-
Profit/(loss) for the period		905.71	332.14
Earnings per equity share:	31		
Basic		16.05	6.68
Diluted		16.05	6.68

See accompanying notes to financial statements which form an integral part of financial statement.

In terms of our attached report of even date  
For K A SANGHAVI AND CO LLP  
CHARTERED ACCOUNTANTS  
FRN : 0120846W/W100289

For DESCO INFRATECH LIMITED  
(Formerly known as DESCO INFRATECH PRIVATE LIMITED)

KEYUR ASHVINBHAI SANGHAVI

(PARTNER)

M. NO.: 109227

ICAI UDIN: 25109227BMIPP6235

Sd/-  
PANKAJ  
PRUTHU DESAI

(MANAGING  
DIRECTOR)

(DIN :  
03344685)

Sd/-  
MALHAR  
PANKAJBHAI  
DESAI  
(WHOLE-TIME  
DIRECTOR)

(DIN :  
07293599)

Sd/-  
PRINKLE  
SANJAY JAIN  
(CHIEF  
FINANCIAL  
OFFICER)

Sd/-  
MUSKAN  
OMPRAKASH  
KHANDAL  
(COMPANY  
SECRETARY)

Date: : 05/09/2025

Place : SURAT

## **CASH FLOW STATEMENT FOR THE YEAR ENDED** **31<sup>ST</sup> MARCH, 2025**

PARTICULARS	31 <sup>ST</sup> MARCH 2025	31 <sup>ST</sup> MARCH 2024
<b>Amt. In Lakhs</b>		
<b>Cash flow from operating activities</b>		
Profit / (loss) before tax and exceptional items	1,209.30	476.08
<b>Adjustments for:</b>		
Depreciation	21.61	15.73
Interest income	-3.59	-4.93
Loss/(profit) on sale / theft of fixed assets	2.06	6.20
Interest on loan	105.70	38.99
loan processing charges	8.96	9.84
<b>Operating profit / (loss) before working capital change</b>	<b>1344.04</b>	<b>541.89</b>
<b>Movements in working capital</b>		
(Increase) / decrease in inventories	-196.69	-48.26
(Increase) / decrease in sundry Debtors	141.39	-75.16
(Increase) / decrease in short term advances and loans	-466.41	-58.04
(Increase) / decrease in long term Loan and advances		-
(Increase) / decrease in other non-current assets	-15.22	-20.36
(decrease) / Increase in Long term provisions	5.51	13.60
(decrease) / Increase in trade payables	268.46	-353.59
(decrease) / increase in other current liabilities	51.33	66.03
(Increase) / decrease in other current assets	-2165.32	-31.97
(decrease) / increase in short term provision	2.06	0.00
<b>Cash (used in) / generated from operating activities</b>	<b>-1030.85</b>	<b>34.14</b>
Direct tax paid, net	-187.71	-61.77
<b>Net cash (used in) / generated from operating activities (A)</b>	<b>-1218.57</b>	<b>-27.63</b>
<b>Cash flow from investing activities</b>		
Payment for purchase of fixed asset including capital work in progress	-54.38	-67.15
Proceeds from sale of fixed assets	6.25	5.91
Capital advances	-51.83	-24.12
Interest income	3.59	4.93
<b>Net cash (used in) / generated from investing activities (B)</b>	<b>-96.37</b>	<b>-80.43</b>
<b>Cash flow from financing activities</b>		
Proceeds from issuance of share capital	208.48	2.78
Addition in Security Premium	3595.89	347.11

Expense On issue of Equity shares	-33.70	-
Proceeds / (repayment) from short term borrowings, net	538.83	-58.61
Proceeds / (repayment) from long term borrowings, net	202.42	-116.01
Interest paid on long term and short-term borrowing	-105.70	-38.99
Loan processing charges paid	-8.96	-9.84
Net cash (used in) / generated from financing activities (C)	4397.25	126.44
Net Increase / (decrease) in cash and cash equivalent (A+B+C)	3082.31	18.38
Cash and cash equivalent at the beginning of the year	35.17	16.80
Cash and cash equivalent at the end of the year	3117.49	35.17

See accompanying notes to Financial Statements which form an integral part of Financial Statements.

**Notes:**

1. The figures in brackets represent outflows.
2. Previous period's figures have been regrouped / reclassified, wherever necessary, to confirm to current year presentation.

In terms of our attached report  
of even date  
For K A SANGHAVI AND CO  
LLP  
CHARTERED ACCOUNTANTS  
FRN : 0120846W/W100289

For DESCO INFRATECH LIMITED  
(Formerly known as DESCO INFRATECH PRIVATE LIMITED)

KEYUR ASHVINBHAI SANGHAVI	Sd/- PANKAJ PRUTHU PANKAJBHAI DESAI (MANAGING DIRECTOR)	Sd/- MALHAR PANKAJBHAI DESAI (WHOLE- TIME FINANCIAL DIRECTOR)	Sd/- PRINKLE SANJAY JAIN (CHIEF OFFICER)	Sd/- MUSKAN OMPRAKASH KHANDAL (COMPANY SECRETARY)
(PARTNER) M. NO.: 109227 ICAI UDIN: 25109227BMIPPN6235	(DIN : 03344685)	(DIN : 07293599)		

Date : 05/09/2025  
Place : SURAT

## **NOTES ON ACCOUNTS TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31<sup>ST</sup>, 2025**

### **1. CORPORATE INFORMATION:**

DESCO INFRATECH LIMITED (Formerly Known as Desco Infratech Private Limited) (“the Company”) was incorporated on 19/01/2011 as a Private Limited company domiciled in India. The company is primarily engaged in providing infrastructure and maintenance services for City gas Distribution and water supply distribution to various companies along with the O&M services to various companies for these activities on contractual basis. During the year under consideration, the company has been converted into Public Limited Company from Private Limited Company and filed its RHP with BSE for listing its shares on the BSE-SME Platform. The company has been listed on BSE-SME Platform on 1<sup>st</sup> April, 2025.

### **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

#### **(i) Basis of preparation of Financial Statements:**

These Financial Statements of the company have been prepared in accordance with the Generally Accepted Accounting Principles in India (‘Indian GAAP’) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The Financial Statements have been prepared under the historical cost convention on accrual basis, except in case of assets for which provision for impairment for certain financial instruments which are measured at fair value.

All amounts included in the Financial Statements are reported in Lakhs and 2 decimals thereof in Indian Rupees except for Number of shares and EPS wherever disclosed in these financial statements.

The Company has maintained and preserved all its books of accounts and records at its Registered Office situated at A-703, Swastik Universal, Besides Valentine Theatre, Dumas Road, Surat-395007, Gujarat, India.

#### **(ii) Presentation and disclosure of Financial Statements:**

During the year ending on 31<sup>ST</sup> March, 2025, the company has presented the financial statements as per Schedule III notified under the Companies Act, 2013. The statement of Cash Flows has been prepared and presented as per requirements of AS 3 “Cash Flow Statements “. The disclosure requirements with respect to items in the Balance sheet and Profit & Loss Account, as prescribed in Schedule III of the Act are presented by way of notes forming part of the financial statements. The company has also reclassified the previous figures in accordance with the requirements applicable in the current year.

Accounting policies have been consistently applied from year-on-year basis.

#### **(iii) Use of estimates:**

In the application of the Company's accounting policies, management of the Company is required

to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Financial Statements.

(iv) Property, Plant & Equipment:

Property, Plant & Equipment are carried at cost of acquisition and other applicable costs less accumulated depreciation and accumulated impairment loss, if any. The cost of fixed assets includes cost of acquisition plus, any freight, taxes, duties and other incidental expenses that are directly attributable to bring the assets to their working conditions for their intended use. Borrowing costs directly attributable to the qualifying assets are capitalized as part of the cost. The costs of internally generated assets comprise direct costs attributed to the generation of the assets.

Capital work in progress, if any comprises of the cost of fixed assets that are not yet ready for their intended use at the balance sheet date. Assets held for disposal, if any are stated at the lower of net book value and the estimated net realizable value.

When parts of the items of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to the property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably.

Gain / loss arising from de-recognition / sale / disposal of fixed assets are measured as the difference between the net disposal / sale proceeds and the carrying amount of the assets and are recognized in the statement of profit or loss when the asset is derecognized / disposed off.

Advances paid towards the acquisition of fixed assets, if any outstanding as of balance sheet date is disclosed under long term loans and advances.

No assets have been revalued during the year.

(v) Intangible Assets:

Intangible assets are stated at the consideration paid for acquisition less accumulated amortization and accumulated impairment losses, if any.

(vi) Borrowing Costs:

Loan processing charges and interest expenses paid to Bank for CC facilities and Term Loans have been charged to revenue account since the same are not attributable to the acquisition of qualifying assets as per the requirements of AS 16.

Borrowing cost primarily includes interest and amortisation of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset.

(vii) Depreciation / Amortization:

Depreciation on tangible fixed assets is calculated on the Straight-Line Method (SLM) based on the useful lives and residual values estimated by the management in accordance with Schedule II to the Companies Act, 2013. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset.

Intangible assets, if any are amortized on basis of the economic benefits consumed by the company over the projected useful life and if the pattern of economic benefits cannot be identify reliably then the straight-line method is used.

No assets have been revalued during the year.

The company has used the following useful lives to provide depreciation on its tangible assets and intangible assets.

Type of assets	Useful lives (in years)
Computers	03
Furniture and fixtures	10
Motor vehicles and Heavy Vehicles	08
Vehicles (2 wheelers)	10
Office Equipments	05
Plant and Machinery	15

(viii) Impairment of Tangible and Intangible Assets:

As per the estimates made by the management and as per the various assessments made by the management, there were no indicators whether internal or external (as provided in para 8 of AS 28) which has led to the impairment loss to any assets. Since there are no such indicators which suggest that the net value of the assets would fall significantly by passage of time and normal use, the company has not provided for any impairment loss for any assets during the current financial period. The company has chosen the "value in use" technique and as per the measurement of future cash flow, the management is of the opinion that the future cash flow and the terminal value of the assets would not be significantly less than the carrying value and hence no impairment for any assets has been provided for in the financial statements.

No reversal of impairment loss has been recognized in the Profit & loss Account.

Since the company has not carried out the activities in segments, the impairment loss or reversal of the impairment loss has not been provided for the segments.

In the opinion of the Board of Directors and to the best of their knowledge and belief the aggregate value of the current assets, loans and advances on realization in the ordinary course of business, will not be less than the amount at which they are stated in the Balance Sheet.

**(ix) Investments:**

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

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued.

Current investments are carried in the Financial Statements at lower of cost and fair value determined in respect of each category of the investments. Long-term investments are carried at cost. However, provision for diminution in value, if any is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, if any, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

**(x) Government grants and subsidies:**

Grants and subsidies from the government are recognised when there is reasonable assurance that:

- i. The Company will comply with the conditions attached to them, and
- ii. The grant / subsidy will be received.

When the grant or subsidy relates to revenue, it is recognised as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognised as deferred income and released to income in equal amounts over the expected useful life of the related asset.

**(xi) Inventories:**

Inventories are stated at the lower of cost and net realisable value by following First in First Out ('FIFO') method. Cost of Inventories comprises all cost of purchase and other cost incurred in bringing inventories to their present location and condition. Cost in case of work in progress is determined on the basis of the actual expenditure attributable to the said work till the end of the reporting period.

Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

**(xii) Revenue recognition:**

Revenue comprises sale of services from contracts and interest. Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and that the revenue can be

reliably measured. The Company collects Goods and Services Tax (GST) as applicable on behalf of the government and therefore, this is not economic benefits flowing to the Company hence, this is excluded from revenue.

Revenue from sales of Services:

Revenue from sale of services from contracts are recognised in the statement of profit and loss based on the invoice/ upon completion of work and in respect of work-in-progress at the end of the year, the same has been recognised on proportion of service completed.

Interest Income:

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

(xiii) GST:

GST credit available on purchase of materials, purchase of capital goods and input services is not charged to cost of material, capital goods and services. GST Credit availed is accounted by way of adjustment against GST payable on rendering of services.

(xiv) Retirement and other Employee benefits:

Short term Employee benefits:

Short term benefits including salaries, social security contributions, short term compensated absences, if any (such as paid annual leave) where the absences are expected to occur within twelve months after the end of the period in which the employees render the related service, profit sharing and bonus payable, if any within twelve months after the end of the period in which the employees render the related services and non-monetary benefits (such medical care) for current employees are estimated and measured on an undiscounted basis.

During the year under consideration, the company has paid only salary to its employee and no other short-term benefits are paid to any employee.

Long term employee benefits:

Defined Contribution Plan:

All eligible employees of the company are entitled to receive benefits under the provident fund, a defined contribution plan in which both the employee and the company contribute monthly at a stipulated percentage of the covered employee's salary. Contributions are made to Employees Provident Fund Organization in respect of Provident Fund, Pension Fund and Employees Deposit Linked Insurance Scheme, as applicable at the prescribed rates and are charged to Statement of Profit and Loss at actuals. The company has no liability for future provident fund benefits other than its annual contribution.

Defined Benefit Plan:

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. However, the company has not made any such contributions during the year. The cost of providing benefits under the defined benefit plan is based on an independent actuarial valuation carried out using the projected unit credit method.

Actuarial gain / loss is directly credited / debited to the Profit and loss account.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

(xv) Foreign Exchange Transactions:

The Company has not entered into any Foreign Exchange Transactions during the year under consideration.

The company has not entered into any forward exchange contracts during the year.

(xvi) Taxation:

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit and loss. The amount of current tax actually determined at the time of filing of IT return for the Assessment Year determined the final self-assessment tax liability and accordingly the company has reversed the excess provision of current tax charged to statement of profit and loss in earlier period or made additional provision for current tax not charged to statement of profit & loss, in current reporting period as the case may be.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognised for all taxable timing differences. Deferred tax assets are recognised for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each reporting date, the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

Separate and detailed calculation of deferred tax is appended in these notes.

(xvii) Provisions and contingent liabilities, Contingent assets:

A provision is recognised when the Company has a present obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made of the amount of obligation. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These estimates are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Provisions of various expenses are recognized in the financial statements since there exists present obligations as a result of event and the expenses are accrued and incurred during the year.

The opening balance of provisions is used during the year against the payments during the year. The closing balances of provisions are the expenses accrued during the year and provided.

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 recognised 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 recognised because it cannot be measured reliably.

The Company does not recognise a contingent liability but discloses its existence in the Financial Statements unless the possibility of an outflow is remote.

A contingent asset is not recognized in the Financial Statements and hence not disclosed.

(xviii) Earnings / (loss) per share:

Basic earnings / (loss) per share are calculated by dividing the net profit / (loss) for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for any bonus shares issued during the year and also after the balance sheet date but before the date the Financial Statements are approved by the board of directors for the purpose of calculating diluted earnings / (loss) per share. The net profit / (loss) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

The number of equity shares and potentially dilutive equity shares are adjusted for bonus and right issue as appropriate. The dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been issued at fair value. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date.

(xix) Cash Flow Statement:

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

(xx) Cash and Cash Equivalents:

Cash and cash equivalents for the purpose of these financial statements comprise cash at bank and in hand, cheques on hand and short-term investments with an original maturity of three months or less.

(xxi) Operating leases:As a Lessee:

Finance leases, which effectively transfers to the Entity substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in the Profit and Loss Account. Lease management fees, legal charges and other initial direct costs of lease are capitalized.

A leased asset is depreciated on a straight-line basis over the useful life of the asset assessed by the management. However, if there is no reasonable certainty that the Entity will obtain the ownership by the end of the lease term, the capitalized asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset.

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss Account on a straight-line basis over the lease term.

As a Lessor:

Leases in which the Entity transfers substantially all the risks and benefits of ownership of the asset are classified as finance leases. Assets given under finance lease are recognized as a receivable at an amount equal to the net investment in the lease. After initial recognition, the Entity apportions lease rentals between the principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance lease. The interest income is recognized in the Profit and Loss Account. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the Profit and Loss Account.

Leases in which the Entity does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in property, plant and equipment assets. Lease income on an operating lease is recognized in the Profit and Loss Account on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the Profit and Loss Account. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the Profit and Loss Account.

## Note No. 3 Share Capital

Particulars	(Amt in Lacs)	
	as at 31/03/2025	as at 31/03/2024
<b>Authorised</b>		
9000000 (490000) Equity Shares fully paid up of ₹ 10/- Par Value	900.00	49.00
	<b>900.00</b>	<b>49.00</b>
<b>Issued</b>		
7676008 (277778) Equity Shares fully paid up of ₹ 10/- Par Value	767.60	27.78
	<b>767.60</b>	<b>27.78</b>
<b>Subscribed</b>		
7676008 (277778) Equity Shares fully paid up of ₹ 10/- Par Value	767.60	27.78
	<b>767.60</b>	<b>27.78</b>
<b>Paid up</b>		
7676008 (277778) Equity Shares fully paid up of ₹ 10/- Par Value Fully Paid up	767.60	27.78
	<b>767.60</b>	<b>27.78</b>

**TERMS / RIGHTS ATTACHED TO EQUITY SHARES**

The Company has only one class of equity shares having a par value of ₹ 10 each. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holder 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.

At the beginning of the year company has 2,77,778 equity shares of ₹ 10/- each. During the year the company has issued 34,778 Equity shares of ₹ 10/- each fully paid under preferential issue. Further during the Year company has issued 53,13,452 bonus shares in the ratio of 17:1(17 bonus shares for every 1 share held).

During the year company has issued 20,50,000 equity shares of ₹ 10/- each fully paid under IPO on BSE-SME Exchange. The total equity share capital at the end of the year is ₹ 767.60 Lakhs divided into 76,76,008 Equity shares of ₹10/- each fully paid-up.

**DETAILS OF CONVERTIBLE SECURITIES:**

The company has not issued any securities convertible into equity or preference shares.

**DETAILS OF SHARES RESERVED FOR EMPLOYEES STOCK OPTIONS:**

The company has not reserved any shares for employee's stock options.

**ADDITIONAL DISCLOSURE FOR EACH CLASS OF SHARE CAPITAL FOR 5 YEARS PRECEDING TO THE DATE OF BALANCE SHEET:**

During last 5 years the company has not issued any shares pursuant to contracts without payment being received in cash for any class of share capital except Bonus Equity shares.

**Holding More Than 5%**

Particulars	as at 31/03/2025		as at 31/03/2024	
	Number of Share	% Held	Number of Share	% Held
HINA DESAI	861000	11.22	50000	18.00
INDIRABEN DESAI	2382354	31.04	132353	47.65
MALHAR DESAI	608832	7.93	33824	12.18
SAMARTH DESAI	608814	7.93	33823	12.18

**SHARE HOLDERS HOLDING MORE THAN 5 % EQUITY SHARES IN THE COMPANY**

As per records of the Company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

The company has no holding company.

**Details Of Shares For Preceding Five Years**

Particulars	31/03/2025	31/03/2024	31/03/2023	31/03/2022	31/03/2021
Number Of Equity Shares Bought Back	0	0	0	0	0
Number Of Preference Shares Redeemed	0	0	0	0	0
Number of Equity Share Issue as Bonus Share	5313452	0	0	0	0
Number of Preference Share Issue as Bonus Share	0	0	0	0	0
Number of Equity Shares Allotted For Contracts Without Payment Received In Cash	0	0	0	0	0
Number of Preference Shares Allotted For Contracts Without Payment Received In Cash	0	0	0	0	0

Reconciliation of the number of Equity shares outstanding at the beginning and at the end of the reporting period

In ₹ Lakhs

Particulars	as at 31/03/2025		as at 31/03/2024	
	Number of Share	Amount	Number of Share	Amount
Number of shares at the beginning	277778	27.78	250000	25.00
Add: Issue				
Shares Issue	2084778	208.48	27778	2.78
Bonus Shares	5313452	531.35	0	0.00
	7398230	739.82	27778	2.78
Less: Bought Back	0	0.00	0	0.00
Others	0	0.00	0	0.00
Number of shares at the end	7676008	767.60	277778	27.78

Shareholding of Promoters

Shares held by promoters as at 31/03/2025

Equity Shares fully paid up of ₹ 10

Shares held by promoter at the end of year				% change during the year
SN	Promoters Name	No. of Shares	% of total shares	
1	INDIRABEN DESAI	2382354	31.04	-16.61
2	MALHAR DESAI	608832	7.93	-4.25
3	SAMARTH DESAI	608814	7.93	-4.25
4	HINA DESAI	861000	11.22	-6.78

Shares held by promoters as at 31/03/2024

Equity Shares fully paid up of ₹ 10

Shares held by promoter at the end of year				% change during the year
SN	Promoters Name	No. of Shares	% of total shares	
1	INDIRABEN DESAI	132353	47.65	-5.29
2	MALHAR DESAI	33824	12.18	12.18
3	SAMARTH DESAI	33823	12.18	12.18
4	HINA DESAI	50000	18	18

## Note No. 4 Reserve and Surplus

In ₹ Lakhs

Particulars	as at 31/03/2025	as at 31/03/2024
Securities Premium Opening	347.11	0.00
Additions	3595.89	347.11
Adjusted Bonus Shares	(531.35)	(0.00)
Adjusted Writing off Discount Expenses on Issue of Shares / Debentures	(33.70)	(0.00)
	<b>3377.95</b>	<b>347.11</b>
Profit and Loss Opening	836.56	469.57
Amount Transferred From Statement of P&L	905.71	332.14
Appropriation and Allocation		
Others	0.00	(34.84)
	<b>(0.00)</b>	<b>(34.84)</b>
	<b>1742.27</b>	<b>836.56</b>
	<b>5120.22</b>	<b>1183.66</b>

## SECURITIES PREMIUM

During the financial years 2024-2025, the company issued 20,84,778 fully paid-up equity shares of ₹ 10 each at a premium, respectively. Additionally, in the financial year 2024-2025, the company issued 53,13,452 bonus shares.

The details of premium in different tranche are as follows

DATE OF ALLOTMENT	NO OF SHARES ISSUED	FACE VALUE (In ₹)	PREMIUM PER SHARE (In ₹)
22/05/2024	11569	10	1891
11/09/2024	23209	10	2185
29/03/2025	2050000	10	140

## Note No. 5 Long Term Borrowings

In ₹ Lakhs

Particulars	as at 31/03/2025	as at 31/03/2024
<b>Term Loan</b>		
<b>Banks</b>		
<b>Secured</b>		
<b>Rupee</b>		
AMCO BANK LTD (INNOVA)	18.90	0.00
AMCO Bank Ltd. (Hryder 2) 066032351000049	10.26	11.88
AMCO Bank Ltd. (Hryder) - 066032351000038	9.77	11.52
HDFC BANK LOAN - 4214	1.43	3.02
INDUSIND BANK	20.90	0.00
Kotak Mahindra Bank Ltd. (CSG-154520383)	11.56	29.18
UBI LOAN - 0094	0.00	4.05
<b>Unsecured</b>		
Axis Bank Ltd. (BPR004709788982)	11.49	32.84
ICICI BANK LOAN - 2178	34.56	19.19
<b>Financial Institution</b>		
<b>Secured</b>		
<b>Rupee</b>		
Sundaram Finance (Tata Yodha)HR-T007400489	9.54	18.79
<b>Unsecured</b>		
BAJAJ FINANCE LOAN	31.82	0.00
HERO FINCORP LTD.	20.44	0.00
KISETSU SAISON -0078	18.04	0.00
NEOGROWTH CREDIT PVT LTD	40.42	0.00
PROTIUM FINANCE LTD	18.59	0.00
SMC FINANCE	29.32	0.00
SMFG INDIA CREDIT CO.OP LTD-5255	6.67	0.00
CLIX LOAN	18.20	0.00
<b>Loan and Advances From Related Parties</b>		
<b>Unsecured</b>		
<b>Director</b>		
MALHAR P DESAI	17.09	0.00
SAMARTH DESAI	0.02	0.00
<b>Other</b>		
HINA DESAI	6.30	7.70
INDIRA P. DESAI	23.98	18.73
	<b>359.31</b>	<b>156.90</b>

Loan Details	Principal Loan Amount (In ₹ lakhs)	Rate of Interest	Tenure (Months)	Monthly Instalment (In ₹ lakhs)	Security Offered
AMCO - HYRYDER	14	8.50%	84	0.22	Hypothecation charge on the specified vehicle
AMCO - HYRYDER	13.5	8.25%	84	0.21	Hypothecation charge on the specified vehicle
AMCO - INNOVA	22.36	8.25%	84	0.35	Hypothecation charge on the specified vehicle
HDFC - ECO COMMERCIAL VEHICLE LOAN	6	9.00%	48	0.15	Hypothecation charge on the specified vehicle
INDUSIND BANK	40	18.46%	30	1.62	Personal Guarantee of Malhar Desai, Samarth Desai,
KOTAK - BUSINESS LOAN	50	15.10%	36	1.74	Personal Guarantee of Malhar Desai, Samarth Desai, Indira Desai and Hina Desai
AXIS BANK - BUSINESS LOAN	60	14.00%	36	2.05	Unsecured loan
ICICI LOAN	74	15.10%	36	2.57	Personal Guarantee of Malhar Desai, Samarth Desai, Indira Desai and Hina Desai
SUNDARAM FINANCE	27	12.45%	35	0.93	Hypothecation charge on the specified vehicle
BAJAJ FINANCE LTD	41.95	17.75%	60	1.05	Unsecured loan
HERO MOTORCORP LOAN	40.3	17.00%	36	1.43	Unsecured loan
KISETSU	35.7	16.50%	36	1.26	Unsecured loan
NEOGROWTH CREDIT PVT LTD	75	18.00%	36	2.71	Unsecured loan
PROTIUM FINANCE LTD	30	17.75%	36	1.08	Unsecured loan
SMC FINANCE	45.45	17.50%	36	1.63	Unsecured loan
SMFG INDIA CREDIT CO. LTD	35.21	16.00%	25	1.72	Unsecured loan
CLIX LOAN	35.18	18%	36	1.27	Unsecured loan

## Note No. 6 Other Long-Term Liabilities

In ₹ Lakhs

Particulars	as at 31/03/2025	as at 31/03/2024
<b>Others</b>		
MN PATIL PRIVATE LIMITED (DEPOSIT)	1.20	1.20
WORLDAMS PRIVATE LTD. (DEPOSIT)	0.02	0.02
	<b>1.22</b>	<b>1.22</b>

## Note No. 7 Long Term Provisions

In ₹ Lakhs

Particulars	as at 31/03/2025	as at 31/03/2024
<b>Employee Benefits</b>		
Gratuity		
PROVISION FOR GRATUITY	19.10	13.60
	<b>19.10</b>	<b>13.60</b>

## Note No. 8 Short Term Borrowings

In ₹ Lakhs

Particulars	as at 31/03/2025	as at 31/03/2024
<b>Loans repayable on demand</b>		
Banks		
Secured		
YES BANK LTD. OD (0983)	590.45	175.72
<b>Current maturities of long term borrowings</b>		
AMCO BANK LTD (INNOVA)	2.51	0.00
AMCO Bank Ltd. (Hyryder 2) 066032351000049	1.63	1.50
CLIX LOAN	10.93	0.00
UBI LOAN - 0094	(0.14)	1.54
Kotak Mahindra Bank Ltd. (CSG-154520383)	17.62	15.17
INDUSIND BANK	14.61	0.00
ICICI BANK LOAN - 2178	23.63	22.46
SMC FINANCE	13.16	0.00
PROTIUM FINANCE LTD	8.80	0.00
NEOGROWTH CREDIT PVT LTD	22.96	0.00
Sundaram Finance (Tata Yodha)HR-T007400489	9.25	8.21
BAJAJ FINANCE LOAN	6.43	0.00
Axis Bank Ltd. (BPR004709788982)	21.35	18.57
HDFC BANK LOAN - 4214	1.58	1.45
SMFG INDIA CREDIT CO.OP LTD-5255	18.02	0.00
AMCO Bank Ltd. (Hyryder) - 066032351000038	1.75	1.61
KISETSU SAISON -0078	11.17	0.00
HERO FINCORP LTD.	12.58	0.00
SUNDARAM FINANCE LTD - 0275	0.00	1.71
YASH BANK TL	0.00	1.53
	<b>788.30</b>	<b>249.47</b>



as at 31/03/2024

In ₹ Lakhs

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Not due	
(i) MSME						
MSME	90.95	25.50	0.00	0.00	0.00	116.45
(ii) Others						
OTHERS	209.48	27.16	3.25	3.35	0.00	243.24
(iii) Disputed dues - MSME	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed dues - Others	0.00	0.00	0.00	0.00	0.00	0.00

**TRADE PAYABLES:****SUNDRY CREDITORS COVERED UNDER MSMED ACT, 2006 :**

Trade Payables covered under MSMED Act, 2006 are those creditors who are outstanding at the balance sheet date. Out of which creditors due for more than 45 days as on the balance sheet date are ₹ 23.40 Lakhs (₹ 51.89 Lakhs). The company has provided interest of ₹ 1.15 lakhs on the same as per the provisions of MSMED Act, 2006.

Amount due to Micro, Small and Medium Enterprises as on 31<sup>st</sup> March, 2025 (31<sup>st</sup> March, 2024) are disclosed on the basis of information available with the Company regarding status of the suppliers is as follows:-

(₹ in Lakhs)

Particulars	31/03/2025	31/03/2024
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	190.98	116.45
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	0.00	0.00
Interest paid/reversed during the year	0.00	0.00
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year.	0.00	0.00
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	0.00	0.00
Interest accrued and remaining unpaid	1.15	0.00
Amount of further interest remaining due and payable in succeeding years	0.00	0.00

## Note No. 10 Other Current Liabilities

In ₹ Lakhs

Particulars	as at 31/03/2025	as at 31/03/2024
Other payables		
Employee Related		
Accrued Salary Payable		
SALARY PAYABLE	61.27	54.13
Accrued Payroll Liabilities		
PT PAYABLE	2.61	2.61
ESI PAYABLE	1.47	2.52
PF PAYABLE	7.24	12.18
Tax Payable		
Other		
GST PAYABLE	64.30	164.91
GST RCM PAYABLE	7.42	0.00
Income Tax		
TDS PAYABLE	37.46	23.80
Other Accrued Expenses		
PROVISION FOR EXPENSE	115.76	0.00
Other Current Liabilities		
DIRECTOR REMUNARATION PAYABLE	36.59	44.14
RENT PAYABLE	6.05	0.15
YES BANK CREDIT CARD 4017	(0.04)	2.73
BOCW PAYABLE	0.72	0.00
LABOUR CESS PAYABLE	0.64	0.00
ADVANCE FROM CUSTOMERS	19.30	2.30
	<b>360.79</b>	<b>309.46</b>

## Note No. 11 Short Term Provisions

In ₹ Lakhs

Particulars	as at 31/03/2025	as at 31/03/2024
Employee Benefits		
Gratuity		
PROVISION FOR GRATUITY	0.90	0.00
Tax Provision		
Current Tax		
INCOME TAX PAYABLE	208.44	89.84
Others		
MSME INTEREST PAYABLE	1.15	0.00
	<b>210.50</b>	<b>89.84</b>

## Note No. 12 Property, Plant and Equipment

In ₹ Lakhs

Particulars	Gross				Depreciation					Impairment				Net		
	Op enin g as at 01/04/2024	Add ition	Ded uction	Rev alua tion	Closi ng as at 31/03/2025	Op enin g as at 01/04/2024	Duri ng Peri od	Ded uction	Oth er Adj.	Closing as at 31/03/2025	Ope ning as at 01/04/2024	Durin g Peri od	Rever sal	Closing as at 31/03/2025	Clos ing as at 31/03/2025	Clos ing as at 31/03/2024
Building Improvements		6.10			6.10		0.31			0.31					5.79	
Plant and Machinery	32.29	0.61			32.90	7.16	2.05			9.21					23.68	25.13
Office Equipments	9.39	5.70			15.08	5.61	1.95			7.56					7.53	3.78
Computer Equipments	11.51	3.21			14.72	7.36	2.63			10.00					4.72	4.15
Furniture and Fixtures	26.34	2.09			28.43	11.36	1.95			13.30					15.12	14.98
Motor Vehicles	118.12	35.86	15.17		138.80	32.10	12.72	6.87		37.95					100.85	86.02
<b>Grand Total</b>	<b>197.64</b>	<b>53.56</b>	<b>15.17</b>	<b>0.00</b>	<b>236.03</b>	<b>63.59</b>	<b>21.61</b>	<b>6.87</b>	<b>0.00</b>	<b>78.33</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>157.70</b>	<b>134.06</b>
Previous	149.34	67.15	18.85	0.00	197.64	54.61	15.73	6.74	0.00	63.59	0.00	0.00	0.00	0.00	134.06	94.74

## PROPERTY, PLANT AND EQUIPMENT:

- There is no intent to sale any of the Property, Plant and Equipment held by the company and hence there is no Property, Plant and Equipment held for disposal.
- All the Property, Plant and Equipment purchased during the year were put to use before 31<sup>st</sup> March

2025

c) There is no lease hold Property, Plant and Equipment held by the company during the year under reporting and in the preceding year.

d) During the year, there is no change in amount of the Property, Plant and Equipment due to business combination, revaluation and other adjustments.

e) During the year, the Company has not hold any Benami property as defined under the Benami Transactions (prohibition) Act, 1988.

#### Note No. 13 Capital work-in-progress

In ₹ Lakhs

Particulars	as at 31/03/2025	as at 31/03/2024
Intangible Assets Work in Progress		
SOFTWARE	0.83	0.00
	<b>0.83</b>	<b>0.00</b>

#### Capital-Work-in Progress (CWIP) aging schedule

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	82500.00	0.00	0.00	0.00	82500.00

#### Capital work-in-progress:

1. Intangible assets under development is related to Software.

2. The company does not have any capital-work-in progress whose completion is overdue or has exceeded its cost compared to its original plan.

3. There is no intent to sell any of the intangible assets held by the company and hence there is no intangible assets held for disposal.

4. During the year, there is no change in amount of the Intangible Asset due to business combination, revaluation and other adjustments.

#### Note No. 14 Deferred Taxes

In ₹ Lakhs

Particulars	as at 31/03/2025	as at 31/03/2024
Deferred Tax Assets		
Employee Benefits	5.04	3.42
Expenditure Disallowances	14.37	13.06
	<b>19.41</b>	<b>16.48</b>
Deferred Tax Liabilities		
Depreciation	0.51	0.31
	<b>0.51</b>	<b>0.31</b>

## CALCULATION OF DEFERRED TAX

In ₹ Lakhs

<b>Deferred Liabilities</b>		
DISALLOWANCE U/S 43B OF INCOME TAX ACT	51.89	
DEPRECIATION	2.86	
<b>Total (A)</b>	<b>54.75</b>	
 <b>Deferred Assets</b>		
LOSS ON SALE OF ASSETS	2.06	
GRATUITY EXPENSES	6.41	
DISALLOWANCE U/S 43B OF INCOME TAX ACT	23.40	
1/5TH OF PRELIMINARY EXPENSES	33.70	
<b>Total (B)</b>	<b>65.57</b>	
 Total Deferred Assets (B-A)	 10.82	
Tax on Deferred Assets @ 25.17% On ₹ 10.82		2.72
 Net Deferred Tax (Assets) Charged to P & L A/c		 2.72
 <b>Defer Tax Liabilities/Assets Transferred to Balance Sheet</b>		
Opening Balance of Deferred Tax (Assets)		16.17
Deferred Tax (Assets) Charged to P & L A/c		2.72
Deferred Tax (Assets) Transferred to Balance Sheet		18.89

### Note No. 15 Long-term loans and advances

In ₹ Lakhs

Particulars	as at 31/03/2025	as at 31/03/2024
<b>Capital Advances</b>		
Unsecured, considered good		
FAIRFOX INFRA PVT LTD	121.40	83.07
SEEMA MALANI	13.50	0.00
	134.90	83.07

### Note No. 16 Other non-current assets

In ₹ Lakhs

Particulars	as at 31/03/2025	as at 31/03/2024
<b>Security Deposits</b>		
Unsecured, considered good		
RELIANCE JIO INFOCOMM LTD (SECURITY DEPOSIT)	0.01	0.01
RENT DEPOSIT	10.80	3.43
<b>Others</b>		
NATIONAL SAVINGS CERTIFICATE	0.22	0.22
SARVODAY SAROVAR NARMADA NIGAM LIMITED FD	3.80	3.80
YES BANK FD-001140400118081	56.07	48.22
	70.90	55.68



## Ageing Schedule as at 31/03/2024

Particulars	Outstanding for following periods from due date of payment						Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Not due	
(i) Undisputed Trade receivables - considered good	1315.33	0.00	8.93	0.00	152.46	0.00	1476.72
(ii) Undisputed Trade Receivables - considered doubtful	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(iii) Disputed Trade Receivables considered good	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Trade Receivables considered doubtful	0.00	0.00	0.00	0.00	0.00	0.00	0.00

**TRADE RECEIVABLES:**

Sundry debtors are trade receivables which are due in respect of various work carried out on contractual basis in the normal course of the business. The debtors outstanding for more than 6 months are those debtors which are outstanding for more than 6 months from the date they are due for payment but all of them are good as reviewed by the management and hence no provisions for doubtful debts have been made.

## Note No. 19 Cash and cash equivalents

Particulars	In ₹ Lakhs	
	as at 31/03/2025	as at 31/03/2024
Cash in Hand	41.22	33.11
Balances With Banks		
Balance With Scheduled Banks		
Current Account		
AMCO BANK - 182	0.13	(0.08)
ICICI BANK CA - 778605000050	0.00	0.02
ICICI BANK ESCROW ACCOUNT	3075.00	0.00
UNION BANK OF INDIA (610605010000140)	1.12	0.01
YES BANK LTD CA (084163300005600)	0.00	1.79
YES BANK - 656	0.00	0.11
YES BANK - 852	0.00	0.10
YES BANK - 862	0.00	0.10
	<b>3117.48</b>	<b>35.16</b>

The balance appearing in ICICI bank Escrow Account is the Amount of IPO proceeds of the company. The closure date of IPO was 26th March, 2025 and date of allotment was 27th March, 2025. Since, the amount of IPO proceeds are received in bank account at the year end therefore the same has not been utilised for the objects for which the IPO was made till the year end.

## Note No. 20 Short-term loans and advances

Particulars	In ₹ Lakhs	
	as at 31/03/2025	as at 31/03/2024
Loans and advances to others		
Unsecured, considered good		
ADVANCE SALARY	2.19	0.10
ADVANCE TO SUPPLIER	534.91	70.59
	<b>537.10</b>	<b>70.69</b>

## Note No. 21 Other current assets

Particulars	In ₹ Lakhs	
	as at 31/03/2025	as at 31/03/2024
CGST (UNCLAIMED)	10.49	0.00
CGST CREDIT	16.91	0.00
CUSTOMER RETENTION	588.74	432.92
IGST (UNCLAIMED)	39.95	0.00
IGST CREDIT	8.15	0.00
PREPAID EXPENSE	13.72	1.05
SGST (UNCLAIMED)	10.10	0.00
SGST CREDIT	24.50	0.00
TDS RECOVERABLE FROM NBFC	5.42	1.26
OTHER CURRENT ASSETS	1882.24	0.00
GST PAID FOR APPEAL	1.71	0.59
GST RECEIVABLE	0.00	0.80
	<b>2601.92</b>	<b>436.61</b>

## Note No. 22 Revenue from operations

In ₹ Lakhs

Particulars	For the Year Ended 31/03/2025	For the Year Ended 31/03/2024
Sale of Services SALES	5944.71	2939.31
	<b>5944.71</b>	<b>2939.31</b>

## Note No. 23 Other income

In ₹ Lakhs

Particulars	For the Year Ended 31/03/2025	For the Year Ended 31/03/2024
Interest BANK INTEREST	3.59	4.93
Profit (Loss) on Redemption / Sale of Investment & Property, Plant and Equipment (Net) LOSS ON SALE OF ASSEST	(2.06)	(6.20)
Miscellaneous DISCOUNT RECEIVED	0.16	0.08
BALANCE WRITTEN OFF	14.67	5.16
	<b>16.37</b>	<b>3.97</b>

## Note No. 24 Cost of materials consumed

In ₹ Lakhs

Particulars	For the Year Ended 31/03/2025	For the Year Ended 31/03/2024
Raw Material Opening	83.46	35.20
Purchase	748.14	265.23
Closing	280.15	83.46
	<b>551.45</b>	<b>216.97</b>
	<b>551.45</b>	<b>216.97</b>

## Details of Raw Material

Particulars	For the Year Ended 31/03/2025	For the Year Ended 31/03/2024
	551.45	216.97
	<b>551.45</b>	<b>216.97</b>

**PURCHASE:**

PURCHASES ARE RECORDED NETOFF I.E. PURCHASES LESS PURCHASE RETURN IF ANY. PURCHASES ARE RECORDED EXCLUSIVE OF GST

**INVENTORIES:**

OPENING AND CLOSING INVENTORY ARE RECORDED EXCLUSIVE OF GST.

## Note No. 25 Employee benefits expense

In ₹ Lakhs

Particulars	For the Year Ended 31/03/2025	For the Year Ended 31/03/2024
<b>Salary, Wages &amp; Bonus</b>		
LABOUR CHARGES	0.13	0.39
SALARY EXPENSE	527.62	676.07
BONUS EXPENSES	6.72	0.00
INCENTIVE EXP	0.50	0.00
OFFICE STAFF SALARY	48.74	8.21
<b>Contribution to Gratuity</b>		
GRATUITY EXPENSES	6.41	13.60
<b>Contribution to Provident Fund</b>		
PF ADMINISTRATION CHARGES	1.52	2.97
PF CONTRIBUTION EXPENSE	37.88	51.70
<b>Staff Welfare Expenses</b>		
STAFF & LABOUR WELFARE EXPENSE	3.00	0.00
<b>Other Employee Related Expenses</b>		
BOCW EXPENSE	0.72	1.58
ESI DAMAGE EXPENSE	0.14	0.00
ESIC CONTRIBUTION EXPENSE	13.43	13.67
LABOUR CESS	1.21	9.93
	<b>648.00</b>	<b>778.13</b>

## Note No. 26 Finance costs

In ₹ Lakhs

Particulars	For the Year Ended 31/03/2025	For the Year Ended 31/03/2024
<b>Interest Expenses</b>		
INTEREST ON BUSINESS LOAN	47.91	18.10
INTEREST ON CAR LOAN	6.14	3.04
INTEREST ON OD	22.02	12.33
INTEREST ON TERM LOAN	22.58	0.35
<b>Bank Charges</b>		
BANK CHARGES	4.45	3.60
<b>Finance Charges</b>		
<b>Discounting Charges</b>		
INTEREST ON BILL DISCOUNTING	0.31	0.00
<b>Guarantee Charges</b>		
BANK GUARANTEE CHARGES	7.05	5.17
<b>Other Finance Charges</b>		
CREDIT CARD CHARGES	0.00	0.01
LOAN PROCESSING CHARGES	8.96	9.84
	<b>119.43</b>	<b>52.43</b>

## Note No. 27 Depreciation and amortisation expense

In ₹ Lakhs

Particulars	For the Year Ended 31/03/2025	For the Year Ended 31/03/2024
<b>Depreciation &amp; Amortisation</b>		
Depreciation Tangible Assets	21.61	15.73
	<b>21.61</b>	<b>15.73</b>

## Note No. 28 Other expenses

In ₹ Lakhs

Particulars	For the Year Ended 31/03/2025	For the Year Ended 31/03/2024
<b>Manufacturing Service Costs Expenses</b>		
<b>Power and Fuel</b>		
FUEL EXPENSE	26.38	26.84
<b>Repairs Maintenance Charges Of Plant and Machinery</b>		
REPAIR AND MAINTENANCE- MACHINERY	4.24	0.00
<b>Freight And Forwarding Charges</b>		
TRANSPORTATION EXPENSE	18.75	11.59
MATERIAL LOADING & UNLOADING EXPENSE	1.80	0.78
FREIGHT CHARGES	9.66	8.27
<b>Lease Rentals</b>		
MACHINERY HIRE CHARGES	1.60	2.25
<b>Other Manufacturing Costs</b>		
CLAIM CHARGES & OTHER DEDUCTION	26.11	46.08
PACKING AND FORWARDING EXPENSE	5.14	1.04
SERVICE CONTRACTUAL EXPENSE	2828.18	1054.90
SITE EXPENSE	176.38	61.07
AUTOCAD DRAWING CHARGES	0.00	0.65
<b>Administrative and General Expenses</b>		
<b>Telephone Postage</b>		
POSTAGE & COURIER EXPENSE	0.33	0.00
TELEPHONE & MOBILE PHONE EXPENSE	0.93	1.70
<b>Printing Stationery</b>		
STATIONARY & PRINTING EXPENSE	7.90	5.87
<b>Rent Rates And taxes</b>		
RENT EXPENSE	43.78	51.92
VEHICLE RENT	3.89	0.00
STORE ROOM RENT	11.19	0.00
PROFESSIONAL TAX	0.20	0.04
GST EXPENSE	15.13	0.03
TDS EXPENSE	5.44	0.00
INCOME TAX EXPENSE	0.00	0.34
MUNICIPAL TAX	0.00	0.06
<b>Auditors Remuneration</b>		
AUDITOR REMUNERATION	9.50	0.99
<b>Directors Sitting Fees</b>		

DIRECTOR SITTING FEES	0.95	0.00
<b>Managerial Remuneration</b>		
DIRECTOR REMUNERATION	54.50	59.92
<b>Repairs Maintenance Expenses</b>		
REPAIRS & MAINTAINANCE	6.22	13.15
<b>Electricity Expenses</b>		
ELECTRICITY EXPENSE	3.25	2.21
<b>Travelling Conveyance</b>		
CONVAYENCE EXPENSE	0.12	0.39
TRAVELLING EXPENSE	13.41	4.67
<b>Legal and Professional Charges</b>		
LEGAL & PROFESSIONAL FEES	45.25	16.48
<b>Insurance Expenses</b>		
INSURANCE EXPENSE	5.17	3.87
<b>Vehicle Running Expenses</b>		
ROAD TAX	0.84	0.08
TOLL CHARGES	0.09	0.34
<b>Registration and Filing Fees</b>		
ROC FEES	0.33	0.02
<b>Other Administrative and General Expenses</b>		
ACCOMODATION EXPENSES	1.57	0.89
COMPUTER EXPENSE	1.20	1.18
FOOD BEVERAGES EXPENSE	3.60	1.43
TECHNICAL FEES	2.17	1.76
TENDER FEES	0.15	0.84
WATER EXPENSE	0.48	0.07
BROKERAGE EXPENSES	0.89	0.00
OTHER CHARGES	2.67	0.00
SAFETY EXPENSE	0.13	0.00
BAD DEBTS	8.93	0.00
DISCOUNTING CHARGES	0.01	0.00
INSPECTION FEES	0.57	0.00
INTEREST ON GST	12.68	4.70
INTEREST ON INCOME TAX	10.60	0.00
INTEREST ON TDS	5.70	4.26
LATE FEE OF TDS	0.10	0.00
GST LATE FEE	1.14	0.48
WEBSITE DEVELOPMENT EXPENSES	1.36	0.00
SOFTWARE CHARGES	1.16	0.00
OFFICE EXPENSES	23.86	8.18
MSME INTEREST	1.15	0.00
ROUND OFF	0.00	0.00
FD PREMATURE CHARGES	2.70	0.00
<b>Selling Distribution Expenses</b>		
<b>Advertising Promotional Expenses</b>		
ADVERTIESMENT EXP.	0.27	0.18
<b>Other Selling Distribution Expenses</b>		
DISCOUNT ALLOWED	1.01	0.00

	3410.74	1399.50
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Note No. 29 Prior Period items

In ₹ Lakhs

Particulars	For the Year Ended 31/03/2025	For the Year Ended 31/03/2024
Prior Period Expenses PRIOR PERIOD EXPENSE	(0.54)	(4.45)
	(0.54)	(4.45)

Note No. 30 Tax expense

In ₹ Lakhs

Particulars	For the Year Ended 31/03/2025	For the Year Ended 31/03/2024
Current tax PROVISION FOR INCOME TAX	306.31	151.61
Deferred tax	(2.72)	(7.68)
	303.59	143.94

Note No. 31 Earnings per equity share

In ₹

Particulars	For the Year Ended 31/03/2025	For the Year Ended 31/03/2024
<b>Earnings Per Equity Share</b>		
<b>Basic</b>		
Basic EPS Before Extra Ordinary Item	16.05	6.68
<b>Diluted</b>		
Diluted EPS Before Extra Ordinary Item	16.05	6.68
<b>Number of Shares used in computing EPS</b>		
Basic	5642109	4975520
Diluted	5642109	4975520
<b>Weighted Average Number of shares</b>		
Number of Shares for basic EPS calculation		
Number of Shares Issued During Current Year	2334778.00	27778.00
Number of Bonus Shares Issued	5313452.00	0.00
Number of shares in beginning of the year	277778.00	250000.00

32. Operating leases:

Premises

The Company has taken premises under cancellable operating leases. During the year company has paid Rs.43.78 Lakhs (Rs. 51.92 Lakhs) rent under cancellable operating leases.

The company has not entered into any lease agreements with any person during the year whereby any operating lease incomes are generated. The company has not acquired any fixed assets under finance lease / operating lease agreements during the year.

### 33. Earnings / (loss) per share:

Basic and Dilutive Earnings per Share ("EPS") computed in accordance with Accounting Standard (AS) 20 'Earnings per Share'.

Particulars		AS AT 31 <sup>ST</sup> MARCH, 2025	AS AT 31 <sup>ST</sup> MARCH, 2024
Basic:			
Profit after tax as per P & L Account before exceptional item (in ₹ lakhs)	A	905.71	332.14
Weighted Number of Equity shares outstanding during the period	B	56,30,876	49,75,520
Basic EPS (₹)	A/B	16.08	6.68
Diluted EPS (₹)	A/B	16.08	6.68

Since the company has not issued any convertible preference shares or convertible debentures, the diluted EPS is same as that of Basic EPS.

### 34. Segmental Reporting:

The company is engaged in providing infrastructure and maintenance services to various companies in respect of city gas distribution and water distribution on contractual basis which is the only business activity carried out by the company during the year. Therefore, no separate operating business segment is identifiable. The company has carried out the work as per the orders of the customers of different location during the continuation of the work. Therefore, there is no identifiable geographical segment in view of the provisions of AS 17 Segment Reporting. Therefore, no segment reporting is given.

### 35. Defined Contribution Plan:

#### Defined Benefit Plans/ Obligation (DBO):

The Company operates a defined benefit plan (the Gratuity plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The Company has a defined benefit gratuity plan (unfunded) and is governed by the Payment of Gratuity Act, 1972. Under the Act, every employee who has completed at least five years of service is entitled to gratuity benefits on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is unfunded.

(Amount In lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>1. Data Summary</b>		
Number of employees (Absolute numbers)	267	242
Total Monthly Salary	38.70	34.82
Average Salary (In lakhs)	0.14	0.14
<b>2. Valuation Results</b>		
Funding Status	Unfunded	Unfunded
Fund Balance	N.A.	N.A.

Current Liability	0.90	0.29
Non-Current Liability	19.10	13.31
<b>*The average expected future service is 4 years.</b>		
<b>3. Recognised in Balance Sheet</b>		
Current Liability	0.90	0.29
Non-Current Liability	19.10	13.31
Liability recognized in balance sheet as at the end of the year	20.00	13.60
<b>4. Debited in Profit &amp; Loss Account</b>		
Opening Balance	NIL	NIL
Closing Balance	6.41	13.60
Net Gratuity cost in statement of Profit and Loss account	6.41	13.60
<b>5. Actuarial Assumptions</b>		
Discount Rate (per annum)	6.55%	7.18%
Annual Increase in Salary Cost	6.00%	6.00%
Mortality Rate During employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
Retirement Age	58 Years	58 Years
Attrition Rate	For service 4 years and below 40.00% p.a. For service 5 years and above 5.00% p.a	For service 4 years and below 40.00% p.a. For service 5 years and above 5.00% p.a

### 36. Related Party Disclosures:

- a. List of related parties and nature of relationships where control exists:  
The company has not entered into any Joint Ventures with any person / Association / Investment in any wholly or partly owned subsidiary during the year whether in India or outside India.
- b. Other related parties with whom transactions have taken place during the year:
  - i) Entities where Key Management Personnel (KMP) / relatives of key management personnel (RKMP) have significant influence:
    - Desai Energy Pvt. Ltd. (formerly known as Desai Energy LLP)
    - Desai Associate (Proprietor: Pankaj Desai)
  - ii) Key Management Personnel:
    - Pankaj Desai (Appointed as Director w.e.f. 20/08/2024)
    - Malhar Pankajbhai Desai
    - Samarth Pankaj Desai
    - Amulya Kumar Jena
    - Indira Desai (Resigned as Director w.e.f. 07/06/2024)

- Hina Pankaj Desai (Resigned as Director w.e.f. 31/07/2024)
- Kaushal Rangoonwala
- Anita Paul
- Mahendra Gusain
- Anand Jayramkrishna

iii) Relatives of key management personnel:

- Hina Pankaj Desai
- Indira Desai

c. Status of outstanding balances as at March 31, 2025 and March 31, 2024

(Amount in Lakhs Rupees)

Type of Balance	Type of relationship	Name of the entity / person	Year ended on March 31, 2025	Year ended on March 31, 2024
Sundry Debtors	Entities where KMP / RKMP has significant influence	Desai Associate	172.23	115.21
	Entities where KMP / RKMP has significant influence	Desai Energy Pvt. Ltd. (formerly known as Desai Energy LLP)	12.67	184.40
Unsecured Loans	KMP	Malhar Desai	17.09	NIL
	KMP	Samarth Desai	0.02	NIL
	RKMP	Hina P Desai	6.29	7.70
	KMP	Indiraben P Desai	23.98	18.73
Director Remuneration Payable	KMP	Malhar Desai	2.77	3.70
	KMP	Samarth Desai	0.80	8.14
	KMP	Pankaj Desai	3.10	3.95
	KMP	Hina Desai	9.40	11.10
	RKMP	Indiraben Desai	10.06	10.22
	KMP	Amulya Jena	10.30	7.01
	KMP	Anita Paul	0.05	NIL

	KMP	Kaushal Rangoonwala	0.05	NIL
	KMP	Mahendra Gusain	0.05	NIL
	KMP	Anand Jayramkrishna	0.05	NIL
Sundry Creditors	Entities where KMP / RKMP has significant influence	Desai Associate	NIL	15.67
Office rent payable	RKMP	Hina Desai	0.31	NIL

1. Directors and relatives of directors have given their various properties as collateral securities in various loans obtained by the company.
2. Directors and relatives of directors have given their personal guarantees in various loans obtained by the company.

d. Disclosure of significant transactions with related parties during the year:

(In ₹ lakhs)

Type of Transaction	Type of relationship	Name of the entity / person	Year ended on March 31, 2025	Year ended on March 31, 2024
Sales	Entities where KMP / RKMP has significant influence	Desai Associate	819.00	98.05
	Entities where KMP / RKMP has significant influence	Desai Energy Pvt. Ltd. (formerly known as Desai Energy LLP)	682.40	209.71
Sub Contract Charges	Entities where KMP / RKMP has significant influence	Desai Associate	NIL	13.34
Loans Repaid	KMP	Malhar Desai	50.95	111.44
	KMP	Samarth Desai	7.80	119.07
	Entities where KMP / RKMP has significant influence	Desai Associates	142.83	442.51
	KMP	Indira Desai	NIL	0.08
	KMP	Hina Desai	3.40	NIL
	Entities where KMP / RKMP has significant influence	Desai Energy Pvt. Ltd. (formerly known as Desai Energy LLP)	70.50	NIL
Loans taken	Entities where KMP / RKMP has significant influence	Desai Associates	142.83	267.64
	KMP	Malhar Desai	68.04	96.11

	KMP	Samarth Desai	7.82	119.07
	RKMP	Hina Desai	2.00	7.70
	RKMP	Indira Desai	5.25	NIL
	Entities where KMP / RKMP has significant influence	Desai Energy Pvt. Ltd. (formerly known as Desai Energy LLP)	70.50	NIL
Director Remuneration	KMP	Pankaj Desai	13.20	7.00
	KMP	Amulya Jena	15.20	12.00
	KMP	Hina Desai	NIL	12.00
	KMP	Indira Desai	NIL	4.92
	KMP	Malhar Desai	13.40	12.00
	KMP	Samarth Desai	12.70	12.00
Sitting Fess	KMP	Anand Jayramkrishna	0.20	NIL
	KMP	Anita Paul	0.35	NIL
	KMP	Kaushal Rangoonwala	0.20	NIL
	KMP	Mahendra Gusain	0.20	NIL
Advance given against property	KMP	Malhar Desai	68.62	NIL
	KMP	Samarth Desai	4.72	NIL
Advance received back against property	KMP	Malhar Desai	68.62	NIL
	KMP	Samarth Desai	4.72	NIL
Office Rent	RKMP	Pankaj Desai	1.06	1.80
	KMP	Hina Desai	3.24	3.60

**37. Cash Flow Statement:**

Cash flows are reported using the indirect method, whereby net profits before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the company are segregated.

- 38.** Based on the information available with the company, the company has total dues of 153.75 Lakhs (116.45 Lakhs) as on March 31, 2025 (March 31, 2024) to MSMEs registered under the Micro, Small and medium Enterprises Development Act, 2006. Out of the same 23.40 Lakhs (51.89 Lakhs) are outstanding at the year-end for more than 45 days on which interest of 1.15 lakhs has been provided as prescribed under MSMED Act, 2006.

**39. Disclosure required U/S. 186(4) of The Companies Act, 2013:**

For details of loans and guarantees given to and given by related parties, refer Note no. 36.

40. During the year, the company is not covered in section 135 of Companies Act, 2013 and hence the CSR Rules are not applicable to the company.

41. [The Code on Social Security, 2020:](#)

The Code on Social Security 2020 ('Code') has been notified in the Official Gazette on September 29, 2020. The Code is not yet effective and related rules are yet to be notified. Impact if any of the change will be assessed and recognized in the period in which the said Code becomes effective and the rules framed thereunder are notified.

42. [Contingent Liabilities:](#)

(Rs. In Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
Goods and Service Tax Order for F.Y. 2017-2018, pending before Assistant Commissioner, Ghatak 5-Ahemdabad.	NIL (The company has opted for the GST Amnesty Scheme and accordingly the company has got the relief as per the provisions of GST Amnesty Scheme.)	13.02
Goods and Service Tax Order for F.Y. 2018-2019, pending before Assistant Commissioner, Ghatak 5-Ahemdabad.	NIL (The company has opted for the GST Amnesty Scheme and accordingly the company has got the relief as per the provisions of GST Amnesty Scheme.)	4.18
Goods and Service Tax Order for F.Y. 2019-2020, pending before Assistant Commissioner of Commercial taxes, Bengaluru.	31.48	31.48
Goods and Service Tax Order for F.Y. 2019-2020, pending before Jurisdictional State Tax Officer, Ahmedabad.	10.74	NIL
Goods and Service Tax Order for F.Y. 2019-2020, pending before Designated Authority GST Amnesty Scheme.	8.82	NIL

Note: The Company has filed an appeal before the Appellate authorities in respect of the disputed matter under the Goods and Service Tax Act, 2017 and the appeals are pending with the appellate authority. Considering the facts of the matters and other legal pronouncements of jurisdictional HC, no provision is considered necessary by the management because the management is hopeful that the matter would be decided in favour of the Company in the light of the legal advice obtained by the company. The amount is shown as Contingent liabilities not provided for.

43. [Additional information pursuant to the provisions of Schedule III of The Companies Act, 2013:](#)

a. [Title deeds of Immovable Property not held in name of the Company](#)

During the year, the company has not owned any immovable properties whose title deeds are not held in the name of the company.

- b. During the year, company has not revalued any Property, Plant and Equipment.
- c. Details of Benami Property held and the proceedings under the Benami Transactions (Prohibition) Act, 1988 and Rules made thereunder:  
During the year, there is no such proceedings have been initiated or pending as on the date of balance sheet, against the company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and Rules made thereunder.
- d. Borrowings on security of current asset  
During the year, the Company has been sanctioned working capital limits from banks and financial institutions. The company is not required to submit quarterly returns / statements with such banks / financial institutions.
- e. During the year, the company was not declared as wilful defaulter by any bank or financial Institution or other lender.
- f. Based on the information available with the Company, there are no transactions with struck off companies.
- g. Registration of charges or satisfaction with Registrar of Companies  
All the charges or satisfactions are duly registered with registrar of companies.
- h. The Company has no subsidiaries or holding company and hence the provisions of clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017 (as amended) are not applicable.
- i. The company does not have any such transactions which are not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961 (such as search or survey or any other relevant provisions of The Income Tax Act, 1961).

## j. Financial Ratios:

SR. NO.	RATIO	NUMERATOR	AS AT MARCH 31, 2025	AS AT MARCH 31, 2024	% OF VARIANCE	REASONS FOR VARIANCE IN EXCESS OF 25%
		DENOMINATOR				
A.	Current Ratio (In times)	Current assets ( As per Balance sheet) Inventories + Trade Receivables + Cash and Cash Equivalents + Short term Loans and advances + other current assets	3.96	2.08	89.94	The increase is primarily due to a higher rise in Current Assets compared to the increase in Current Liabilities in the current year as compared to the previous year.
		Current Liabilities (As per Balance sheet) Short term borrowings + trade payables + Other current liabilities + Short term provisions				
B.	Debt - Equity Ratio (In times)	Total Debts (As per Balance sheet) Total long Term Borrowings + Total Short Term Borrowings	0.19	0.34	(41.89)	The decrease is primarily due to a greater increase in shareholders' equity due to IPO as compared to the increase in total debt.
		Shareholder's Equity (As per Balance sheet) Paid up Share Capital + Reserves and surplus				
C.	Debt Service Coverage Ratio (In times)	Profit before Exceptional items and Tax + Interest Expense + Depreciation and amortization - Current Tax expense	3.74	2.83	32.14	Increase is mainly due to increase in profit before Tax and increase in repayment of principal amount of loan as compared to last year.
		Interest Expense + Principal repayment of long term debt				
D.	Return on Equity Ratio (in %)	Profit after Tax	15.38	27.42	(43.89)	The decline in Return on Equity (ROE) is primarily driven by a significant increase in shareholders' equity, due to IPO
		Share holder's fund				
E.	Inventory T/O.	Cost of Goods Sold (Opening Stock of Inventory	22.68	23.62	(3.98)	Since the variance in the ratio is less

	Ratio (in times)	+ Purchases + Direct Expenses - Closing Inventory)				than 25%, reasons for change is not given.
		Average inventory ((Opening Inventory + Closing Inventory)/2))				
F.	Trade Receivable T/O Ratio (in Days)	Average Trade receivable * 365 days ((Opening trade receivable + Closing trade Receivable)/2)	86.33	178.71	(51.69)	Decrease is mainly due to the decrease in Average Trade Receivable and increase in Sales in current year as compared to last year.
		Gross Sales (Revenue from operations from Profit & Loss Account)				
G.	Trade payable T/O Ratio (in Days)	Average Trade payable * 365 days ((Opening trade payable + Closing trade Payable)/2)	251.04	738.29	(66.00)	Decrease is mainly due to the decrease in Average Trade Payable and increase in purchase in current year as compared to last year.
H.	Net Capital T/O Ratio (In times)	Revenue from operations (from profit and loss account)	0.98	2.52	(61.16)	The decrease is mainly attributable to a higher increase in working capital relative to the growth in sales in the current year compared to the previous year.
		Working Capital (Current Assets as per Balance sheet - Current Liabilities excluding current maturity of long term debts)				
I.	Net Profit Ratio ( in %)	Profit after Tax	15.24	11.30	34.83	Increase is mainly due to the increase in Profit after Tax in current year as compared to last year.
		Revenue from Operations				
J.	Return on capital Employe d (in %)	Profit before tax and Exceptional and extraordinary items + Interest expense	30.54	38.93	(21.57)	Since the variance in the ratio is less than 25%, reasons for change is not given.
		Average Capital Employed (Shareholder's equity + Tortal Debt - Deferred tax Assets)				

K.	Return on Investment (In %)	Dividend Income + Interest Income	0.06	0.12	(44.73)	The decrease is mainly due to an increase in average investment and a decline in the related income during the current year compared to the previous year.
		Average (Investments + Fixed Deposits)				

k. During the year, no scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

l. A) 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 person(s) or entity (ies), including foreign entities ("intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries).

B) The company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the funding party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

m. Value of imports calculated on CIF basis

(Amount in Lakhs)

Particulars	March 31, 2025	March 31, 2024
Raw Materials & Components	NIL	NIL
Stores and Spares	NIL	NIL
Capital Goods	NIL	NIL

n. Expenditure in Foreign Currency (Accrual Basis)

(Amount in Lakhs)

Particulars	March 31, 2025	March 31, 2024
Expenses debited in the statement of Profit & Loss	NIL	NIL

- o. Imported and Indigenous raw materials, components and spare parts consumed:

Particulars	(Amount in Lakhs)			
	March 31, 2025		March 31, 2024	
	Amount	%	Amount	%
Imported	NIL	0.00	NIL	0.00
Indigenous	551.45	100.00	216.97	100.00

- p. Earning in Foreign Currency (accrual basis):

Particulars	(Amount in Lakhs)	
	March 31, 2025	March 31, 2024
FOB value of exports	NIL	NIL

- q. Director's Remuneration:

Particulars	(Amount in Lakhs)	
	March 31, 2025	March 31, 2024
Directors' Remuneration	54.50	59.92

- r. Undisclosed Income

During the year, there are no transactions which are not recorded in the books of accounts that has been surrendered or disclosed as income in the Tax Assessment under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income-tax Act, 1961).

- s. Details of Crypto Currency or Virtual Currency

During the year, the company has not traded or invested in any Crypto Currency or Virtual Currency and hence not applicable.

#### 44. Events occurring after the Balance sheet date:

The company evaluates events and transactions that occur subsequent to the balance sheet date but prior to approval of the Financial Statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the Financial Statements. As of May 09, 2025, there are no subsequent events to be recognized or reported except disclosed above in the relevant notes.

#### 45. Approval of the Financial Statements:

The Financial Statements were approved for issue by the Board of Directors on May 09, 2025.

46. Accounting policies not specifically referred to otherwise are consistent and in consonance with the generally accepted accounting policies. (GAAP)

47. The previous year's figures have been regrouped or reclassified wherever necessary to confirm with the current year's presentation.

In terms of our attached report of even date  
For K A SANGHAVI AND CO LLP  
CHARTERED ACCOUNTANTS  
FRN: 0120846W/W100289

For DESCO INFRATECH LIMITED  
(Formerly known as DESCO INFRATECH PRIVATE LIMITED)

KEYUR ASHVINBHAI SANGHAVI  
(PARTNER)  
M. NO.: 109227  
ICAI UDIN: 25109227BMIPPN6235

PANKAJ PRUTHU DESAI	MALHAR PANKAJBHAI DESAI	PRINKLE SANJAY JAIN	MUSKAN OMPRAKASH KHANDAL
(MANAGING DIRECTOR)	(WHOLE-TIME DIRECTOR)	(CHIEF FINANCIAL OFFICER)	(COMPANY SECRETARY)
(DIN: 03344685)	(DIN: 07293599)		

Place : SURAT

Date : 09/05/2025