

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF ANUP HEAVY ENGINEERING LIMITED**

#### **Report on the Audit of the Financial Statements**

##### **Opinion**

We have audited the accompanying financial statements of **Anup Heavy Engineering Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the loss and total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

##### **Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made 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.

##### **Information Other than the Ind AS financial statements and Auditor's Report Thereon**

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

Our opinion on the Ind AS 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.

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

## **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities 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 skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our

conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the 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.

### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g) The provision of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2020.
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations which has the impact on its financial position in its financial statements;
  - ii. The Company did not have any long-term contract including derivative contracts for which there were any material foreseeable losses
  - iii. There have been no amounts required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Sorab S. Engineer & Co.**  
Chartered Accountants  
Firm Registration No. 110417W

Sd/-  
CA. Chokshi Shreyas B.  
Partner  
Membership No.100892  
UDIN: 20100892AAAAMJ6565

Ahmedabad  
June 24, 2020

## **ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Anup Heavy Engineering Limited of even date)

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

We have audited the internal financial controls over financial reporting of **ANUP HEAVY ENGINEERING LIMITED** ("the Company") as of March 31, 2020 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 Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor's Responsibility**

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

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

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

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

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

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

### **Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Sorab S. Engineer & Co.**  
Chartered Accountants  
Firm's Registration No. 110417W

Sd/-  
**CA. Chokshi Shreyas B.**  
Partner  
Membership No.100892

Ahmedabad  
June 24, 2020

**ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT  
(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Anup Heavy Engineering Limited of even date)**

- i. The Company does not have any Fixed Assets. Accordingly, Reporting under clause 3(i) (a), (b) and (c) of the order are not applicable.
- ii. The company does not have any inventories. Accordingly, Reporting under clause clause (ii) paragraph 3 of the order is not applicable to the company
- iii. According the information and explanations given to us, the Company has not granted secured / unsecured loans to Companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Consequently, requirements of clause (iii) of paragraph 3 of the order are not applicable.
- iv. In our opinion and according to the information and explanations given to us, the Company has not advanced any loan or given any guarantee or provided any security or made any investment covered under section 185 of the Act. The Company has not made investments covered under section 186 of the Act. Accordingly, requirements of clause (iv) of paragraph 3 is not applicable
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- vi. To the best of our knowledge and belief, the Central Government has not prescribed maintenance of cost records under section 148 (1) of the Act in respect of the Company's product. Consequently, requirement of clause (vi) of paragraph 3 of the order are not applicable.
- vii. According to the information and explanations given to us, in respect of statutory dues:
  - (a) The Company is not required to deposit any statutory dues during the year under audit.
  - (b) According to the information and explanations given to us, no undisputed amounts payable in respect of outstanding statutory dues were in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.
  - (c) According to the information and explanations given to us, no disputed amounts are payable as at March 31, 2020.
- viii. In our opinion and according to the information and explanations given to us, the Company has not availed any loans from financial institutions and banks and hence reporting under clause (viii) of Paragraph 3 is not applicable.
- ix. To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer or by way of term loan and hence reporting under clause (ix) of Paragraph 3 is not applicable.
- x. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, the Company has not paid/provided managerial remuneration.

- xii. The Company is not a Nidhi Company. Consequently, requirements of clause (xii) of paragraph 3 of the order are not applicable.
- xiii. To the best of our knowledge and belief and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and the details have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- xiv. To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares during the year under review. Consequently, requirements of clause (xiv) of paragraph 3 of the order are not applicable.
- xv. To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him and hence provisions of section 192 is not applicable
- xvi. According to the nature of the business, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Sorab S. Engineer & Co.**  
Chartered Accountants  
Firm's Registration No. 110417W

Sd/-  
**CA. Chokshi Shreyas B.**  
Partner  
Membership No.100892

Ahmedabad  
June 24, 2020



# **Anup Heavy Engineering Limited**

## **Notes to the Financial Statements**

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### **1. Corporate Information**

Anup Heavy Engineering Limited ("the Company") is the company incorporated on December 12, 2019 engaged in manufacturing and fabrication of process equipment required for Chemicals, Petrochemicals, Pharmaceuticals, Fertilizers, Drugs and other allied industries.

The financial statements have been considered and approved by the Board of Directors at their meeting held on June 24, 2020.

### **2. Statement of Compliance and Basis of Preparation:**

These financial statements comprising of Balance Sheet, Statement of Profit and Loss including other comprehensive income, Statement of Changes in Equity and Statement of Cash Flows as at March 31, 2020 have been prepared in accordance with Ind AS as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

#### **Rounding of amounts**

The financial statements are presented in Indian Rupee ("INR") and all values are rounded to the nearest rupees as per the requirement of Schedule III, except when otherwise indicated.

### **3. Summary of Significant Accounting Policies**

#### **3.1. Current versus non-current classification**

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

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

#### **Operating cycle**

Operating cycle of the Company is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. As the Company's normal operating cycle is not clearly identifiable, it is assumed to be twelve months.

# **Anup Heavy Engineering Limited**

## **Notes to the Financial Statements**

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### **3.2. Financial instruments – initial recognition and subsequent measurement**

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments. For recognition and measurement of financial assets and financial liabilities, refer policy as mentioned below:

#### **Initial recognition of financial assets and financial liabilities:**

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

#### **Subsequent measurement of financial assets:**

For purposes of subsequent measurement, financial assets are classified in four categories:

- (a) Financial assets at amortised cost
- (b) Financial assets at fair value through other comprehensive income (FVTOCI)
- (c) Financial assets at fair value through profit or loss (FVTPL)
- (d) Equity instruments measured at fair value through other comprehensive income (FVTOCI)

#### **(a) Financial assets at amortised cost:**

A financial asset is measured at amortised cost if the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss.

#### **(b) Financial assets at fair value through other comprehensive income**

A financial asset is measured at fair value through other comprehensive income if the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial assets included within the FVTOCI category are measured at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI financial asset is reported as interest income using the EIR method.

#### **(c) Financial assets at fair value through profit or loss**

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable of financial assets at fair value through profit or loss are immediately recognised profit or loss.

# **Anup Heavy Engineering Limited**

## **Notes to the Financial Statements**

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The Company may elect to designate a financial asset, which otherwise meets amortized cost or fair value through other comprehensive income criteria, as at fair value through profit or loss. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

### **Impairment of financial assets**

The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses (ECL) are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, ECL are measured at an amount equal to the 12 months ECL, unless there has been significant increase in credit risk from initial recognition in which case these are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised as an impairment gain or loss in Statement of Profit and Loss.

### **Derecognition of financial assets**

Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership.

Concomitantly, if the asset is one that is measured at:

- (a) amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;
- (b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

### **Reclassification**

When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

## **Financial liabilities and equity instruments**

### **Classification as debt or equity**

Debt and equity instruments issued by a Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

### **Financial liabilities**

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

### **Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative

# **Anup Heavy Engineering Limited**

## **Notes to the Financial Statements**

financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains/ loss are not subsequently transferred to Statement of Profit or Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

### **Derecognition of financial liabilities**

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

### **Offsetting Financial Instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

### **3.3.Cash and cash equivalent**

Cash and cash equivalent in the balance sheet includes cash on hand, at banks and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the cash flows statement, cash and cash equivalents includes cash, short-term deposits, as defined above, other short-term and highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value adjusted for outstanding bank overdrafts as they are considered an integral part of the Company's cash management. Bank Overdrafts are shown within Borrowings in current liabilities in the balance sheet.

### **3.4.Earnings per share (EPS)**

Basic EPS is computed by dividing the net profit / loss for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is computed by dividing the net profit / loss attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year adjusted for the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

# Anup Heavy Engineering Limited

CIN: U29100GJ2019PLC111583

Reg. Address: BEHIND 66 KV ELECTRIC SUB STATION ODHAV ROAD AHMEDABAD - 382415

T: 91 79 22872823 E: anup@anupengg.com

## Balance Sheet as at March 31, 2020

		Amount in Rs.	
Particulars	Notes	As at March 31, 2020	
<b>ASSETS</b>			
<b>Current assets</b>			
(a) Financial assets			
(i) Cash and cash equivalents	4	99,900	
<b>Total current assets</b>		<b>99,900</b>	
<b>TOTAL ASSETS</b>		<b>99,900</b>	
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	5	1,00,000	
(b) Other equity	6	(700)	
<b>Total equity</b>		<b>99,300</b>	
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Trade payables			
Total outstanding dues of micro enterprises and small enterprises		-	
Total outstanding dues of creditors other than micro enterprises and small enterprises	7	600	
<b>Total current liabilities</b>		<b>600</b>	
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>99,900</b>	
See accompanying notes forming part of the financial statements	3		

In terms of our report attached  
For **Sorab S Engineer & Co.**  
Firm Registration No. 110417W  
Chartered Accountants

Sd/-  
**CA. Chokshi Shreyas B.**  
Partner  
Membership No. 100892

Place: Ahmedabad  
Date: June 24, 2020

For **Anup Heavy Engineering Limited**

Sd/-  
**RISHI ROOP KAPOOR**  
DIN: 08645758  
Director

Sd/-  
**CHINTANKUMAR PATEL**  
DIN: 03273572  
Director  
Place: Ahmedabad  
Date: June 24, 2020

# Anup Heavy Engineering Limited

CIN: U29100GJ2019PLC111583

Reg. Address: BEHIND 66 KV ELECTRIC SUB STATION ODHAV ROAD AHMEDABAD - 382415

T: 91 79 22872823 E: anup@anupengg.com

## Statement of Profit and Loss for the period from December 20, 2019 to March 31, 2020

		Amount in Rs.
Particulars	Notes	For the period from December 20, 2019 to March 31, 2020
<b>I. INCOME</b>		
(a) Revenue from operations		-
<b>TOTAL REVENUE</b>		-
<b>II. EXPENSES</b>		
(a) Other expenses	8	700
<b>TOTAL EXPENSES</b>		<b>700</b>
<b>III. PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX (I-II)</b>		<b>(700)</b>
<b>IV. Exceptional items</b>		-
<b>V. PROFIT/(LOSS) BEFORE TAX (III-IV)</b>		<b>(700)</b>
<b>VI. Tax expense</b>		
(a) Current tax		-
(b) Deferred tax (Credit)/ charge		-
<b>Total tax expense</b>		-
<b>VII. PROFIT/(LOSS) FOR THE YEAR (V-VI)</b>		<b>(700)</b>
<b>VIII. Other comprehensive income/(Loss)</b>		
<b>IX. TOTAL COMPREHENSIVE INCOME?(LOSS) FOR THE YEAR, NET OF TAX (VII+VIII)</b>		<b>(700)</b>
<b>X. Earning per equity share [nominal value per share Rs.10]</b>		
- Basic		(0.25)
- Diluted		(0.25)

See accompanying notes forming part of the financial statements

In terms of our report attached  
For **Sorab S Engineer & Co.**  
Firm Registration No. 110417W  
Chartered Accountants

**CA. Chokshi Shreyas B.**  
Partner  
Membership No. 100892

Place: Ahmedabad  
Date: June 24, 2020

For **Anup Heavy Engineering Limited**

Sd/-  
**RISHI ROOP KAPOOR**  
DIN: 08645758  
Director

Sd/-  
**CHINTANKUMAR PATEL**  
DIN: 03273572  
Director

Place: Ahmedabad  
Date: June 24, 2020

# Anup Heavy Engineering Limited

Statement of cash flows for the year ended March 31, 2020

		Amount in Rs.
Particulars	Year ended March 31, 2020	
<b>A Cash Flow from Operating activities</b>		
Profit/(Loss) before taxation		(700)
Operating Profit before Working Capital Changes		
Adjustments for changes in working capital :		
Increase/(Decrease) in trade payables	600	
Net Changes in Working Capital		600
Cash Generated from Operations		(100)
Direct Taxes paid (Net of Tax refund)		-
<b>Net Cash Flow from Operating Activities</b>		<b>(100)</b>
<b>B Cash Flow from Investing Activities</b>		
Net Cash Flow (used in) Investing Activities		-
<b>C Cash Flow from Financing Activities</b>		
Proceeds from Issue of Share Capital	1,00,000	
<b>Net Cash Flow used in Financing Activities</b>		<b>1,00,000</b>
<b>Net Increase/(Decrease) in cash and cash equivalents</b>		<b>99,900</b>
<b>Cash and Cash equivalent at the beginning of the year</b>		<b>-</b>
<b>Cash and Cash equivalent at the end of the year</b>		<b>99,900</b>
<b>Reconciliation of cash and cash equivalents</b>		
Particulars	Year ended March 31, 2020	
<b>Cash and cash equivalents :</b>		
Balances with Banks		99,900
<b>Cash and cash equivalents as per Balance Sheet (Refer Note 4)</b>		<b>99,900</b>
<b>See accompanying notes forming part of the financial statements</b>		
<b>Notes:</b>		
1 The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.		

In terms of our report attached  
For **Sorab S Engineer & Co.**  
Firm Registration No. 110417W  
Chartered Accountants

**For Anup Heavy Engineering Limited**

**CA. Chokshi Shreyas B.**  
Partner  
Membership No. 100892

Sd/-  
**RISHI ROOP KAPOOR**  
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DIN: 03273572  
Director

Place: Ahmedabad  
Date: June 24, 2020

Place: Ahmedabad  
Date: June 24, 2020

# Anup Heavy Engineering Limited

## Standalone Statement of changes in equity for the year ended March 31, 2020

A. Equity share capital			Amount in Rs.
Particulars	Balance at the beginning of the reporting year	Changes in Equity Share Capital during the year	Balance at the end of the reporting year
For the year ended March 31, 2020	-	1,00,000	1,00,000

## B. Other equity

Particulars	Reserves and Surplus	Total
	Retained Earnings	
Balance as at April 1, 2019	-	-
Profit/(Loss) for the year	(700)	(700)
Other comprehensive income for the year	-	-
<b>Total Comprehensive income for the year</b>	<b>(700)</b>	<b>(700)</b>
<b>Balance as at March 31, 2020</b>	<b>(700)</b>	<b>(700)</b>

See accompanying notes forming part of the financial statements

In terms of our report attached  
For **Sorab S Engineer & Co.**  
Firm Registration No. 110417W  
Chartered Accountants

**CA. Chokshi Shreyas B.**  
Partner  
Membership No. 100892

Place: Ahmedabad  
Date: June 24, 2020

**For Anup Heavy Engineering Limited**

Sd/-  
**RISHI ROOP KAPOOR**  
DIN: 08645758  
Director

Sd/-  
**CHINTANKUMAR PATEL**  
DIN: 03273572  
Director

Place: Ahmedabad  
Date: June 24, 2020



# Anup Heavy Engineering Limited

## Notes to Financial Statements

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### Note 4 : Financial assets

#### 4 (a) Cash and cash equivalents

Particulars	Amount in Rs.
	As at March 31, 2020
Balance with Banks	
In Current accounts	99,900
<b>Total cash and cash equivalents</b>	<b>99,900</b>

# Anup Heavy Engineering Limited

## Notes to Financial Statements

### Note 5 : Equity share capital:

Particulars	As at March 31, 2020	
	No. of shares	Amount in Rs.
<b>Authorised share capital</b> Equity shares of Rs.10 each	10,000	1,00,000
<b>Issued, subscribed and paid-up share capital</b> Equity shares of Rs.10 each	10,000	1,00,000
<b>Total</b>	<b>10,000</b>	<b>1,00,000</b>

### (i) Reconciliation of equity shares outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2020	
	No. of shares	Amount in Rs.
Outstanding at the beginning of the year	-	-
Add: Issued during the year	10,000	1,00,000
Less: Adjustment due to Business Combination (Refer note 40)	-	-
<b>Outstanding at the end of the year</b>	<b>10,000</b>	<b>1,00,000</b>

### (ii) Rights, Preferences and Restrictions attached to equity shares:

The Company has one class of shares having par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

### (iii) Details of shareholder holding more than 5% Shares in the Company:

Name of the Shareholder	As at March 31, 2020	
	No. of shares	% of shareholding
The Anup Engineering Limited	10,000	100%

# Anup Heavy Engineering Limited

## Notes to Financial Statements

Amount in Rs.

### Note 6 : Other Equity

Particulars	As at March 31, 2020
<b>Retained earnings</b>	
<b>Balance as per last financial statements</b>	-
Add: Profit for the year	(700)
<b>Balance at the end of the year</b>	<b>(700)</b>
<b>Total Other equity</b>	<b>(700)</b>

### Note 7 : Financial liabilities

#### 7(a) Trade payables

Particulars	As at March 31, 2020
<b>Current</b>	
-Total outstanding dues of micro enterprises and small enterprises	-
-Total outstanding dues of creditors other than micro enterprises and small enterprises	600
<b>Total</b>	<b>600</b>

#### Note

The Company does not have any due to suppliers under the Micro, Small and Medium Enterprise Development (MSMED) Act, 2006.

### Note 8 : Other expenses

Particulars	Period ended March 31, 2020
Legal and Professional Charges	700
<b>Total</b>	<b>700</b>

# Anup Heavy Engineering Limited

## Notes to Financial Statements

### Note 9 : Disclosure of Related Party Transactions in accordance with Ind AS 24 - Related Party Disclosures

(a) Name of Related Parties and Nature of Relationship :

1	<b>Holding Company</b> The Anup Engineering Limited
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(b) Disclosure in respect of Related Party Transactions :

Amount in RS.

Sr. No.	Particulars	Period ended / as at
		March 31, 2020
1	<b>Transactions during the year</b> Reimbursement of Expenses	600
2	<b>Balances at year end</b> Trade Payable	600

### Note 10 : Earning per share:

Particulars		As at March 31, 2020
<b>Earning per share</b>		
Profit/(Loss) attributable to equity holders	Rs.	(700)
Weighted average number of equity shares for basic and diluted EPS (a)	No.	2,795
Nominal value of equity shares	Rs.	10
Basic and Diluted earning per share	Rs.	(0.25)

# Anup Heavy Engineering Limited

## Notes to Financial Statements

Amount in Rs.

### Note 11: Financial Instruments by category

#### (i) Financial assets by category

Particulars	As at March 31, 2020			
	Cost	Fair value through Profit and Loss (FVTPL)	Amortised cost	Total
Cash and cash equivalents	-	-	99,900	99,900
<b>Total Financial assets</b>	-	-	99,900	99,900

#### (ii) Financial liabilities by category

Particulars	As at March 31, 2020	
	Amortised cost	Total
Trade payable	600	600
<b>Total Financial liabilities</b>	600	600

### Note 12 : Fair value disclosures for financial assets and financial liabilities:

The management assessed that the fair values of cash and cash equivalents and trade payables approximate their carrying amounts largely due to the short-term maturities of these instruments.

### Note 13 : Financial instruments risk management objectives and policies

#### Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time, or at a reasonable price. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company maintains adequate liquid assets in the form of cash & cash equivalents to ensure necessary liquidity.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

Particulars	< 1 year	> 1 year but < 5 years	more than 5 years	Total
<b>Year ended March 31, 2020</b>				
Trade payables	600	-	-	600
	<b>600</b>	<b>-</b>	<b>-</b>	<b>600</b>

### Note 14 : Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value.

Particulars	As at March 31, 2020
(a) Interest bearing loans and borrowings	-
(b) Less: cash and bank balance (including other bank balance)	99,900
<b>(c) Net debt (a) - (b)</b>	<b>(99,900)</b>
(d) Equity share capital	1,00,000
(e) Other equity	(700)
<b>(f) Total capital (d) + (e)</b>	<b>99,300</b>
<b>(g) Total capital and net debt (c) + (f)</b>	<b>(600)</b>
<b>(h) Gearing ratio (c)/(g)</b>	<b>167</b>

### Note 15 : Standards issued but not yet effective

There are no standards or interpretations which are notified but not yet effective and that would be expected to have a material impact on the Group in the current or future reporting periods.