Anup
ENGINEERING

ENGINEERING INFINITE POSSIBILITY

ANNUAL REPORT **2022-23**

Corporate Information

Board of Directors

Mr. Sanjay S. Lalbhai	Chairman & Non-Executive Director
Mr. Punit S. Lalbhai	Vice Chairman & Non-Executive Director
Mr. Samvegbhai Lalbhai	Non-Executive Director
Mr. Arpit Patel	Independent Director
Mr. Ganpatraj Chowdhary	Independent Director
Ms. Reena Bhagwati	Independent Director

Audit Committee

Mr. Arpit Patel	Chairman
Mr. Ganpatraj Chowdhary	Member
Ms. Reena Bhagwati	Member

Nomination and Remuneration Committee

Mr. Arpit Patel	Chairman
Mr. Punit S. Lalbhai	Member
Mr. Ganpatraj Chowdhary	Member

Stakeholders Relationship Committee

Mr. Punit S. Lalbhai	Chairman
Mr. Arpit Patel	Member
Mr. Ganpatraj Chowdhary	Member

Corporate Social Responsibility Committee

Mr. Punit S. Lalbhai	Chairman
Mr. Arpit Patel	Member
Mr. Ganpatraj Chowdhary	Member

Risk Management Committee

Mr. Punit S. Lalbhai	Chairman
Ms. Reena Bhagwati	Member
Mr. Reginaldo Dsouza	Member

Key Managerial Personnel

Mr. Reginaldo Dsouza	Chief Executive Officer
Mr. Nilesh Hirapara	Chief Financial Officer
Mr. Chintankumar Patel	Company Secretary

Auditors

M/s. Sorab S. Engineer & Co.
804, Sakar-IX, Besides Old RBI,
Ashram Road, Ahmedabad – 380 009

Bankers

ICICI Bank Limited
HDFC Bank Limited
Bank of Baroda
IndusInd Bank Limited

Registered/ Corporate Office

Behind 66 KV Elec. Sub-Station,
Odhav Road, Ahmedabad- 382415, Gujarat, India.
Tel: +91 79 4025 8900, 2287 0622 Fax: +91 79 2287 0642
CIN: L29306GJ2017PLC099085
Email: investorconnect@anupengg.com
Website: www.anupengg.com

Registrar and Transfer Agent

Link Intime India Private Limited
506-508, Amarnath Business Centre-1 (abc-1),
Beside Gala Business Centre,
Near St. Xavier's College Corner,
Off C G Road, Ellisbridge, Ahmedabad 380006
Tel No : +91 79 26465179 /86 / 87
E-mail id : ahmedabad@linkintime.co.in
Website : www.linkintime.co.in

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Message from Chief Executive Officer

Dear Shareholders,

The financial year 2022-23 truly tested what your company is made of, determination, resolve, professionalism and a diehard attitude in adversities. This manifested we navigating fairly well through the challenges of the geopolitical concerns impacting raw material prices hugely, scarcity of shipping lines posing logistical challenges, supply chain disruptions etc. with the able support of our supply chain partners, we managed to do a fairly decent job on execution closing most contracts timely, maintaining our reputation of a reliable and trusted supplier to our esteemed customers, globally.

In the Financial year 2022-23, we achieved a revenue of ₹ 409 Crores, an encouraging growth of 42%, with a higher EBIDTA of ₹ 81.6 Crores as compared to ₹ 70 Crores in Financial Year 2021-22. The order booking has also been encouraging with around ₹ 550 Crores worth new orders booked in the year which translates into an order book position of ₹ 530 Crores as we ended the year. This surely reflects the confidence of our Customers in our capabilities entrusting us with valuable opportunities, which places us well for the year 2023-24.

On the Operations, our main focus was on consistency in execution of orders, which is purely reflected in our more consistent performance over last three quarters and which continues. On our Capability enhancement, we made good inroads, some memorable first's like our 1st Polymerization reactor successfully delivered, Our highest thickness Reactor supplied, Our 1st Secondary reformer order, our breakthrough order in the Floating LNG Offshore space, to name a few. On expanding our capacity, a definite progress with our new Kheda plant phase 1. This paves way to many opportunities for manufacturing and supplying large sized equipment. This will increase the addressability of our product portfolio and help serve larger basket of the customer requirement especially into Reactors, Vessels and Columns. The state of the art manufacturing facility, is a true testimony of our growth aspirations and our resolve to be the one stop solution and most trusted supplier to our esteemed customers. On expanding our geographical base with the supply to Israel completed, we have now placed equipment manufactured by us in 31 Countries across 5 continents, and counting.

With the tail wind on the Capex cycle to continue in the next coming years, with our Capacity enhanced through our new Kheda plant to serve this requirement, and with a focus on impeccable execution, we are surely poised for interesting years ahead.

I wish to take this opportunity to thank all our supply chain partners, all our Stakeholders, Our Esteemed Customers and our Employees for Trusting and standing by us to ensure we deliver results.

Reginaldo Dsouza
Chief Executive Officer

Notice

Notice is hereby given that the **6th (Sixth)** Annual General Meeting ("AGM") of the Members of **The Anup Engineering Limited** will be held on Saturday, 5th August 2023 at 02:00 p.m. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following businesses:

ORDINARY BUSINESS:

1 To receive, consider and adopt the Audited Financial Statements [including Consolidated Financial Statements] of the Company for the Financial Year ended 31st March 2023 and the Reports of the Board of Directors and Auditors thereon.

2 To declare dividend on Equity Shares.

3 To appoint a Director in place of Mr. Punit S. Lalbhai (holding DIN 05125502), who retires by rotation and being eligible, offers himself for re-appointment.

4 **Re-appointment of Statutory Auditors of the Company**

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

RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, for the time being in force (including any statutory modification(s) or re-enactment thereof) and based on the recommendations of the Audit Committee and the Board of Directors of the Company, M/s. Sorab S. Engineer & Co, Chartered Accountants, Firm Registration No. 110417W, be and are hereby re-appointed as the Statutory Auditor of the Company, to hold office for a second term of five consecutive years from the conclusion of this 6th Annual General Meeting until the conclusion of the 11th Annual General Meeting, at such remuneration, taxes and out of pocket expenses, as recommended by the Audit Committee and decided by the Board of Directors of the Company from time to time in consultation with the Statutory Auditors of the Company.

RESOLVED FURTHER THAT the Board of directors of the company (including any Committee thereof) be and is hereby authorized to do all such acts and take all such steps as maybe necessary, proper or expedient to give effect to this resolution.

SPECIALBUSINESS:

5 **Ratification of remuneration to Cost Auditor of the Company**

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

RESOLVED THAT pursuant to Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the remuneration payable to M/s. Maulin Shah & Associates, Cost Accountants, Ahmedabad, who have been appointed by the Board of Directors at their meeting held on 17th May 2023, as Cost Auditor to conduct the audit of the cost records of the Company for the financial year 2023-24, on a remuneration of ₹ 30,000/- (Rupees Thirty Thousand Only) plus taxes as applicable and re-imbursement of expenses incurred by them in connection with the audit, be and is hereby ratified.

RESOLVED FURTHER THAT the Board of directors of the company (including any Committee thereof) be and is hereby authorized to do all such acts and take all such steps as maybe necessary, proper or expedient to give effect to this resolution.

6 **Re-appointment of Mr. Arpit Patel as an Independent Director**

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

RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, read along with Schedule IV to the Companies Act, 2013 ('the Act') [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Regulation 17 and any other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, Mr. Arpit Patel (DIN: 00059914), who was appointed as an Independent Director of the Company for a term of 5 (five) consecutive years commencing from 1st November 2018 to 31st October 2023 (both days inclusive) and who being eligible for re-appointment as an Independent Director has given his consent along with a declaration that he meets the criteria for independence under Section 149(6) of the Act and the rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 (five) consecutive years on the Board of the Company commencing from 1st November 2023 to 31st October 2028 (both days inclusive).

RESOLVED FURTHER THAT the Board of directors of the company (including any Committee thereof) be and is hereby authorized to do all such acts and take all such steps as maybe necessary, proper or expedient to give effect to this resolution.

7 **Re-appointment of Mr. Ganpatraj Chowdhary as an Independent Director**

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

RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, read along with Schedule IV to the Companies Act, 2013 ('the Act') [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Regulation 17 and any other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, Mr. Ganpatraj Chowdhary (DIN: 00344816), who was appointed as an Independent Director of the Company for a term of 5 (five) consecutive years commencing from 1st November 2018 to 31st October 2023 (both days inclusive) and who being eligible for re-appointment as an Independent Director has given his consent along with a declaration that he meets the criteria for independence under Section 149(6) of the Act and the rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 (five) consecutive years on the Board of the Company commencing from 1st November 2023 to 31st October 2028 (both days inclusive).

RESOLVED FURTHER THAT the Board of directors of the company (including any Committee thereof) be and is hereby authorized to do all such acts and take all such steps as maybe necessary, proper or expedient to give effect to this resolution.

8 Re-appointment of Ms. Reena Bhagwati as an Independent Director

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

RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, read along with Schedule IV to the Companies Act, 2013 ('the Act') [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Regulation 17 and any other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, Ms. Reena Bhagwati (DIN: 00096280), who was appointed as an Independent Director of the Company for a term of 5 (five) consecutive years commencing from 1st November 2018 to 31st October 2023 (both days inclusive) and who being eligible for re-appointment as an Independent Director has given her consent along with a declaration that she meets the criteria for independence under Section 149(6) of the Act and the rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing her candidature for the office of Director and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 (five) consecutive years on the Board of the Company commencing from 1st November 2023 to 31st October 2028 (both days inclusive).

RESOLVED FURTHER THAT the Board of directors of the company (including any Committee thereof) be and is hereby authorized to do all such acts and take all such steps as maybe necessary, proper or expedient to give effect to this resolution.

9 Approval of payment of commission to the Non-Executive Directors of the Company

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

RESOLVED THAT in supersession of the Special Resolution No. 5 passed at their Annual General Meeting held on 17th August 2021 and pursuant to the provisions of Sections 197, 198 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Schedule V thereto and the Rules made thereunder and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") including any amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force and based on the recommendation of Nomination and Remuneration Committee and the Board of Directors of the company consent of the members of the Company be and is hereby accorded for the payment of commission to the Non-Executive Director(s) of the Company who is / are neither in the whole time employment nor a managing director(s), in accordance with and up to the limits not exceeding 1% as laid down under the provisions of Section 197 of the Act, for a period of 3 years from 1st April, 2023 to 31st March, 2026 and the said remuneration is additional to sitting fees and reimbursement of expenses for attending the meetings of the Board of Directors or Committees thereof.

RESOLVED FURHTER THAT in the event of the Company having no profits or inadequate profits in any financial year, during the above mentioned period, the consent of the members of the Company be and is hereby accorded for the payment of Remuneration / Commission to the Director(s) of the Company who is / are neither in the whole time employment nor a managing director(s) in accordance with the limits specified in Part II of Section II (A) of Schedule V to the Act as applicable to the Company but not exceeding ₹ 1,00,00,000/- (Rupees One Crore only) in such manner and up to such amount as the Board and/or Committee of the Board may, from time to time, determine.

RESOLVED FURTHER THAT the Board of directors of the company (including any Committee thereof) be and is hereby authorized to do all such acts and take all such steps as maybe necessary, proper or expedient to give effect to this resolution.

10 Approval for enhancement of borrowing limits of the company under section 180(1)(c) of the Companies Act, 2013

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

RESOLVED THAT in supersession of the earlier Resolution passed by the Members at their Annual General Meeting held on 29th September 2018 and pursuant to the provisions of Sections 180(1)(c) and other applicable provisions, if any, or re-enactments thereof, for the time being in force read with the of the Companies Act, 2013 (including any statutory modification or the rules made there under, as may be amended from time to time, consent of the members of the Company (hereinafter referred as 'Board' which term shall include a Committee thereof authorized for the purpose) be and are hereby accorded to borrow any sum or sum of money, from time to time from any one or more persons, Bank/s, Firms, bodies corporate, foreign lender/s or Financial institutions from any other source in India or outside India whomsoever on such terms and conditions and with or without security as the Board of Directors may think fit notwithstanding that the monies already borrowed and the monies to be borrowed (apart from temporary loans obtained from Company's bankers in the ordinary course of business) may exceed the paid-up capital, free reserves and securities premium of the company, provided that the total principal amount upto which such monies may be raised or borrowed by the Board of Directors shall not exceed the aggregate of the paid up capital, free reserves and securities premium of the company by more than ₹ 800.00 Crores (Rupees Eight Hundred Crores only) at any point of time.

RESOLVED FURTHER THAT the Board of directors of the company (including any Committee thereof) be and is hereby authorized to do all such acts and take all such steps as maybe necessary, proper or expedient to give effect to this resolution.

11 Approval for mortgage, sell, lease or dispose off the assets of the company under section 180(1)(a) of the Companies Act, 2013

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

RESOLVED THAT in supersession of the earlier Resolution passed by the Members at their Annual General Meeting held on 29th September 2018 and pursuant to Section 180 (1) (a) and other applicable provisions, if any, of the Companies Act, 2013, consent of the members of the company be and is hereby given to the board of directors of the company to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit, together with power to take over the substantial assets of the Company in certain events in favour of banks/financial institutions, other investing agencies and trustees for the holders of debentures/bonds/other instruments to secure rupee/foreign currency loans and/or the issue of debentures whether partly/fully convertible or non-convertible and/or (hereinafter collectively referred to as "Loans") provided that the total amount of Loans together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges, on pre-payment or on redemption, costs, charges, expenses and all other monies payable by the Company in respect of the said Loans, shall not, at any time exceed ₹ 800 Crores (Rupees Eight Hundred Crores Only) or the aggregate of the paid up capital and free reserves of the Company, that is to say, reserves not set apart for any specific purpose at the relevant time, whichever is higher.

RESOLVED FURTHER THAT the Board of directors of the company (including any Committee thereof) be and is hereby authorized to do all such acts and take all such steps as maybe necessary, proper or expedient to give effect to this resolution.

Registered Office:	By order of the Board
Behind 66 KV Elec. Sub-Station,	For The Anup Engineering Limited
Odhav Road,	
Ahmedabad-382415	**Chintankumar Patel**
Date: 27th June 2023	Company Secretary
	Membership No. A29326

NOTES

1. Pursuant to the Circular No 14/2020, 17/2020, 20/2020, 02/2021, 19/2021, 21/2021, 02/2022 and 10/2022 dated 8th April 2020, 13th April 2020, 5th May 2020, 13th January 2021, 8th December 2021, 14th December 2021, 5th May 2022 and 28th December 2022, respectively, ("MCA Circulars") and Securities and Exchange Board of India vide its circular dated 5th January 2023 read with 12th May, 2020, 15th January 2021 and 13th May 2022 ("SEBI Circular"), permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") and MCA Circulars, the AGM of the Company will be held through VC / OAVM. **Hence, Members can attend and participate in the 6th AGM through VC/OAVM only.** The deemed venue for the 6th AGM of the Company shall be the Registered Office of the Company. The detailed procedure for participating in the meeting through VC/OAVM is explained in the subsequent notes of this Notice.

2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA and SEBI Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

3. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, the 22nd July 2023 to Saturday, the 5th August 2023. (Both days inclusive).

4. **DIVIDEND:** The dividend on equity shares for the year ended 31st March 2023, as recommended by the Board of Directors, if approved at the AGM , would be paid / dispatched subject to deduction of tax at source on due date (i) to all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited ("NSDL") and the Central Depository Services (India)

Limited ("CDSL"), as of the close of business hours on Friday, the 21st July 2023 and (ii) To all Members in respect of shares held in physical form after giving effect to valid transfer, transmission or transposition requests lodged with the Company as of the close of business hours on Friday, the 21st July 2023.

5. **TDS ON DIVIDEND:** Pursuant to the changes introduced by the Finance Act 2020, w.e.f. 1st April 2020, the Company would be required to deduct tax at source (TDS) at the prescribed rates on the dividend paid to its shareholders. The TDS rate would vary depending on the residential status of the shareholder and the documents submitted by them and accepted by the Company. Accordingly, the above referred Final Dividend will be paid after deducting the TDS. The Company will be sending out individual communication to the shareholders who have registered their email IDs with us. For the detailed process, the information is available on the Company's website at weblinkhttps://www.anupengg.com/dividend/

6. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to approach the Company or its RTA to claim their dividends, within the stipulated timeline. The Company did not declare any dividend on equity shares for the financial year 2017-18. Unclaimed and unpaid dividends for the financial year 2018-19, 2019-20, 2020-21 and 2021-22 will be transferred to this fund on due date. Kindly note that once unclaimed and unpaid dividends and shares are transferred to the Investor Education and Protection Fund, members will have to approach to IEPF Authority for such dividends and shares.

7. In compliance with the aforesaid MCA Circulars and SEBI Circular, Notice of the AGM inter-alia, indicating the process and manner of voting through electronic means along with the Annual Report 2022-23 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories. Members may note that the Notice and Annual Report 2022-23 will also be available on the Company's website i.e. https://www.anupengg.com/financial-reports/ websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at https://www.bseindia.com and https://www.nseindia.com respectively, and on the website of NSDL i.e. https:// www.evoting.nsdl.com.

8. In case of Joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

9. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

10. Members may note that the VC/OAVM Facility, provided by NSDL, allows participation of atleast 1,000 Members on a first-come-first-served basis. The large shareholders (i.e. 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. can attend the AGM without any restriction on account of first-come first-served principle.

11. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out material facts concerning the business under Item No. 4 to 11 of the Notice, is annexed hereto. The relevant details, as required under Regulation 36(3) of the Listing Regulation and Secretarial Standard – 2 on General Meetings issued by the Institute of Company Secretaries of India, of the person seeking appointment/ re-appointment as a Director under Item No. 3, 6, 7 and 8 of the Notice is also annexed to the notice.

12. 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 email to investorconnect@anupengg.com.

13. SEBI vide its Circular no. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16th March 2023 read with SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November 2021 has mandated the listed companies to have PAN, Contact details, Postal address with PIN, Mobile number, E-mail address, Bank account details (bank name and branch, bank account number, IFS code), Specimen Signature and Nomination of all shareholders holding shares in physical form. Folios wherein any one of the above cited details / documents are not available with company on or after 1st October 2023, shall be frozen as per the aforesaid SEBI circular. The investor service requests forms for updation of above mentioned details viz., Forms ISR-1, ISR-2, ISR-3, SH-13, SH-14 are available on our website of the company as well as on the website of RTA. In view of the above, we urge the shareholders to submit the Investor Service Request form along with the supporting documents at the earliest. In respect of shareholders who hold shares in the dematerialized form and wish to update their above mentioned details are requested to contact their respective Depository Participants.

14. In accordance with SEBI vide its circular no. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/166 dated 7th September 2020 all share transfers shall be carried out compulsorily in the dematerialised form with effect from 1st April 2021. Hence no transfer of shares in physical form are allowed. Further, in compliance with SEBI vide its circular SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January 2022, the following requests received by the Company in physical form will be processed and the shares will be issued in dematerialization form only: i. Issue of duplicate share certificate, ii. Claim from

unclaimed suspense account, iii. Renewal/Exchange of securities certificate, iv. Endorsement, v. Sub-division / splitting of securities certificate, vi. Consolidation of securities certificates/folios, vii. Transmission, viii. Transposition. For this purpose, the securities holder/claimant shall submit a duly filled up Form ISR-4 which is hosted on the website of the company as well as on the website of Registrar and share transfer agent (RTA) The aforementioned form shall be furnished in hard copy form. **Members holding shares in physical form are requested to dematerialize their holdings at the earliest.**

15. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.

16. Since the AGM will be held through VC / OAVM, the Route Map is not annexed with Notice.

17. **INSTRUCTIONS FOR VOTING THROUGH ELECTRONIC MEANS (E-VOTING) AND OTHER INSTRUCTIONS RELATING THERETO ARE AS UNDER:**

I. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations, the Company is pleased to provide to its Members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means.

II. The Company has engaged the services of NSDL as the Agency to provide remote e-Voting facility and e-Voting during the AGM.

III. Ms. Ankita Patel, Company Secretary, Ahmedabad has been appointed as the Scrutinizer to scrutinize the e-Voting during the AGM and remote e-Voting in a fair and transparent manner.

IV. The Results of voting will be declared within two working days from the conclusion of the AGM. The declared Results, along with the Scrutinizer's Report will be submitted with the Stock Exchanges where the Company's equity shares are listed (BSE Limited and National Stock Exchange of India Limited) and shall also be displayed on the Company's website https://www.anupengg.com/announcement/ and NSDL's website https:// www.evoting.nsdl.com.

V. Voting rights of the Members for voting through remote e-Voting and voting during the AGM shall be in proportion to shares of the paid-up equity share capital of the Company as on the cut-off date i.e. Saturday, the 29th July 2023. A person, whose name is recorded in the Register of Members or in the Register of Beneficial owners (as at the end of the business hours) maintained by the depositories as on the cut-off date shall only be entitled to avail the facility of remote e-Voting and voting during the AGM.

VI. The remote e-Voting facility will be available during the following period:

a. Commencement of remote e-Voting: 9.00 A.M. (IST) on Wednesday, 2nd August 2023

b. End of remote e-Voting: 5.00 P.M. (IST) on Friday, 4th August 2023

c. The remote e-Voting will not be allowed beyond the aforesaid date and time and the remote e-Voting module shall be disabled by NSDL upon expiry of aforesaid period.

VII. Those Members, who will be present in the AGM through VC/OAVM facility and have not cast 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 during the AGM.

VIII. The Members who have cast their vote by remote e-Voting prior to the AGM may also attend/ participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.

IX. Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holds shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in mentioning their demat account number/folio number, PAN, name and registered address. However, if he/she is already registered with NSDL for remote e-Voting then he/she can use his/her existing User ID and password for casting the vote.

X. Process and manner for Remote e-Voting:

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

Step 2: Cast your vote electronically on NSDL e-Voting system.

Step 1: Access to NSDL e-Voting system

(A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular 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.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner**" icon under "**Login**" which is available under '**IDeAS**' section , this will prompt you to enter your existing User ID and Password. After successful

Type of shareholders	Login Method
	authentication, you will be able to see e-Voting services under Value added 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 i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "**Register Online for IDeAS**" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digits demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or **e-Voting service provider - NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	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

Type of shareholders	Login Method
	users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. 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 i.e. NSDL** and you will be redirected to e-Voting website of NSDL 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. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

(B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL e - services i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL e - services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. cast your vote electronically.
4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID. For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL	16 Digit Beneficiary ID. For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company. For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
   c) How to retrieve your ‘initial password’?
      (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The pdf file contains your ‘User ID’ and your ‘initial password’.
      (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**
6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
   a) Click on “**Forgot User Details/Password?**”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) “**Physical User Reset Password**?” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company which is The Anup Engineering Limited for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders:

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority Letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to csankitapatel@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to evoting@nsdl.co.in.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investorconnect@anupengg.com.

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investorconnect@anupengg.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

Instructions for members for e-Voting on the day of the AGM:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-Voting.

2. 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.

3. 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.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-Voting.

In case you have not registered your e-mail address with the Company/Depository, please follow below instructions for registration of e-mail address for obtaining Annual Report and / or login details for e-Voting

Physical Holding (For temporary update their e mail address)	Visit the link: https://web.linkintime.co.in/EmailReg/Email_Register.html and follow the registration process as guided therein. The members are requested to provide details such as Name, Folio Number, Certificate number, PAN, mobile number and e-mail address.
Demat Holding	Please contact your Depository Participant (DP) and register your e-mail address in your demat account as per the process advised by your DP.

18. Instructions for Members for attending the AGM through VC / OAVM:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system.** After successful login, you can see link of "VC/OAVM link" placed under "**Join General meeting**" menu against company

name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders/Members, who need assistance before or during the AGM, can contact NSDL official Ms. Sarita Mote on Toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at evoting@nsdl.co.in.
6. Members seeking any information with regard to the annual accounts for financial year 2022-23 or any business to be dealt at the AGM, are requested to send e-mail on investorconnect@anupengg.com on or before Saturday, the 29th July 2023 along with their name, DP ID and Client ID/folio number, PAN and mobile number. The same will be replied by the Company suitably.
7. Further, members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered e-mail address mentioning their name, DP ID and Client ID/Folio Number, PAN and mobile number at investorconnect@anupengg.com on or before Saturday, the 29th July 2023. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

Registered Office:
Behind 66 KV Elec. Sub-Station,
Odhav Road,
Ahmedabad-382415
Date: 27th June 2023

By order of the Board
For The Anup Engineering Limited

Chintankumar Patel
Company Secretary
Membership No. A29326

Explanatory Statement pursuant to Section 102(2) of the Companies Act, 2013

Item No. 4 Re-appointment of the Statutory Auditor

M/s. Sorab S. Engineer & Co, Chartered Accountants, Firm Registration No. 110417W, were appointed as Statutory Auditors of the Company at the Annual General Meeting held on 7th August 2019 for a term of first 5 years upto the conclusion of this 6th Annual General Meeting. M/s. Sorab S. Engineer & Co are eligible for re-appointment for a further period of 5 years. M/s. Sorab S. Engineer & Co have given their consent for their re-appointment as Statutory Auditors of the Company and has issued certificate confirming that their re-appointment, if made, will be within the limits prescribed under the provisions of Section 139 of the Companies Act, 2013 ('the Act') and the rules made thereunder. M/s. Sorab S. Engineer & Co have confirmed that they are eligible for the proposed appointment under the Act.

M/s. Sorab S. Engineer & Co. (SSE) a Firm was established in 1914, by the founder partner Mr. Sorab S. Engineer. SSE spread its wings with Branches at Ahmedabad and Bangalore and local offices at Anand and Vadodara and a Head office at Mumbai. SSE provides services pan India, since more than 10 decades. SSE has given the first lady Chartered Accountant of India - Ms. Shirin K. Engineer and the first President of Institute of Chartered Accountants of India – Mr. G. P. Kapadia. SSE is having seven partners and staff strength over 100 employees.

After evaluating and considering the various factors such as industry experience, competency of audit team, efficiency in conducting audit, independence and based on the recommendations of the Audit Committee and the Board of Directors of the company, it is hereby proposed to re-appoint M/s. Sorab S. Engineer & Co, Chartered Accountants, Firm Registration No. 110417W, as the Statutory Auditors of the Company for the second term of five consecutive years, who shall hold office from the conclusion of this 6th AGM till the conclusion of the 11th AGM of the Company to be held in 2028.

The remuneration proposed to be paid to the Statutory Auditors during their second term would be in line with the existing remuneration and shall be commensurate with the services to be rendered by them during the said tenure. The Board of Directors in consultation with the Audit Committee may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

None of the Directors and Key Managerial Personnel of the Company and their relatives, are in any way concerned or interested in this Resolution.

The Board recommends this Ordinary Resolution for your approval.

Item No. 5 Ratification of the remuneration of Cost Auditor

The Board of Directors on the recommendation of the Audit Committee, re-appointed M/s. Maulin Shah & Associates, Cost Accountants, Ahmedabad as the Cost Auditors to carry out the audit of cost records of the Company for the financial year 2023-24 and fixed the remuneration of ₹ 30,000/- (Rupees Thirty Thousand Only) plus applicable taxes and out of pocket expenses.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies [Audit and Auditors] Rules, 2014, the remuneration fixed by the Board of Directors has to be ratified by the shareholders of the Company. Accordingly, consent of the members is being sought for passing an Ordinary Resolution for ratification of remuneration payable to the Cost Auditors to carry out the audit of cost records of the Company for the financial year 2023-24.

None of the Directors and Key Managerial Personnel of the Company and their relatives, are in any way concerned or interested in this Resolution.

The Board recommends this Ordinary Resolution for your approval.

Item No. 6 Re-appointment of Mr. Arpit Patel (DIN: 00059914) as an Independent Director

The Members at the Annual General Meeting held on 7th August 2019 appointed Mr. Arpit Patel (DIN: 00059914) as an Independent Director of the Company for a period of 5 years from 1st November 2018 to 31st October 2023. Accordingly, his term as an Independent Director will be ending on 31st October 2023.

Mr. Arpit Patel is a senior Chartered Accountant with broad experience in handling assignments ranging from statutory audit to corporate advisory involving interplay of various laws. He has contributed as a Partner at M/s. Kantilal Patel & Co. and M/s. S. R. Batliboi & Co. LLP (a member firm of EY Global). At present, he is a Partner at M/s. Arpit Patel & Associates, Chartered Accountants. He has been appointed as a Technical Reviewer of Financial Statements by ICAI, empanelled as a Technical Reviewer with the Quality Review Board established by the Government of India under the Chartered Accountants Act, 1949 and has authored various books in his field.

The Board of Directors at its meeting held on 27th June 2023, based on the recommendations of the Nomination and Remuneration Committee ("NRC"), was of the opinion that given the knowledge, background, experience and contribution made by him during his tenure, it would be in the best interest of the Company to re-appoint him as an Independent Director of the Company to continue providing relevant skill-set focus to the composition of the Board. In the opinion of the Board, he fulfils the specified conditions for re-appointment as an Independent Director and is independent of the management. In view of the same, the Board of Directors re-appointed him as an Independent Director of the Company, not liable to retire by rotation, for a second term of 5 consecutive years from 1st November 2023 to 31st October 2028, subject to the approval by the Members of the Company.

The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013 ("the Act"), from a Member proposing the candidature of Mr. Arpit Patel for the office of Independent Director of the Company. He has also given a declaration to the Board that he continues to meet the criteria of independence as provided in the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

As per Section 149 of the Act and the rules made thereunder and as per Listing Regulations, an Independent Director shall be eligible for reappointment on passing of a special resolution by the Members. Accordingly, approval of the Members is sought for the re-appointment of him as an Independent Director.

As required under Regulation 36 of the Listing Regulations and Clause 1.2.5 of Secretarial Standard-2, other requisite information is annexed as separate Annexure hereto, and forms a part of this Notice.

Except Mr. Arpit Patel and his relatives to the extent of their shareholding interest, if any, in the Company, none of the Directors and Key Managerial Personnel of the Company and their relatives, are in any way concerned or interested in this Resolution.

The Board recommends this Special Resolution for your approval.

Item No. 7 Re-appointment of Mr. Ganpatraj Chowdhary (DIN: 00344816) as an Independent Director

The Members at the Annual General Meeting held on 7th August 2019 appointed Mr. Ganpatraj Chowdhary (DIN: 00344816) as an Independent Director of the Company for a period of 5 years from 1st November 2018 to 31st October 2023. Accordingly, his term as an Independent Director will be ending on 31st October 2023.

Mr. Ganpatraj L. Chowdhary, 60 years, hails from Gadh Siwana, Barmer District, Rajasthan, and is a Commerce Graduate from University of Madras, Chennai. He is the Chairman and Managing Director of Riddhi Siddhi Gluco Biols Limited (RSGBL). RSGBL & its Group Companies are engaged in several verticals of business viz. Starch & Allied Chemicals, Newsprint, Writing & Printing Paper, Renewable Energy, Real Estate and Education, with a combined turnover of over ₹ 1500 Crores. During his tenure, he had taken over a few sick units and turned it around successfully in a shortest possible time.

He successfully partnered with "Roquette Freres Limited" of France, a Euro 4 Billion Company & the 3rd largest in the world in the Starch & Derivative Industry and set up a most modern "Corn Processing Complex" in the State of Uttrakhand, India and later hived off the Starch Business of Riddhi Siddhi Gluco Biols Limited to in 2012 to Roquette Freres.

The Board of Directors at its meeting held on 27th June 2023, based on the recommendations of the Nomination and Remuneration Committee ("NRC"), was of the opinion that given the knowledge, background, experience and contribution made by him during his tenure, it would be in the best interest of the Company to re-appoint him as an Independent Director of the Company to continue providing relevant skill-set focus to the composition of the Board. In the opinion of the Board, he fulfils the specified conditions for re-appointment as an Independent Director and is independent of the management. In view of the same, the Board of Directors re-appointed him as an Independent Director of the Company, not liable to retire by rotation, for a second term of 5 consecutive years from 1st November 2023 to 31st October 2028, subject to the approval by the Members of the Company.

The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013 ("the Act"), from a Member proposing the candidature of Mr. Ganpatraj Chowdhary for the office of Independent Director of the Company. He has given a declaration to the Board that he continues to meet the criteria of independence as provided in the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

As per Section 149 of the Act and the rules made thereunder and as per Listing Regulations, an Independent Director shall be eligible for reappointment on passing of a special resolution by the Members. Accordingly, approval of the Members is sought for the re-appointment of him as an Independent Director.

As required under Regulation 36 of the Listing Regulations and Clause 1.2.5 of Secretarial Standard-2, other requisite information is annexed as separate Annexure hereto, and forms a part of this Notice.

Except Mr. Ganpatraj Chowdhary and his relatives to the extent of their shareholding interest, if any, in the Company, none of the Directors and Key Managerial Personnel of the Company and their relatives, are in any way concerned or interested in this Resolution.

The Board recommends this Special Resolution for your approval.

Item No. 8 Re-appointment of Ms. Reena Bhagwati (DIN: 00096280) as an Independent Director

The Members at the Annual General Meeting held on 7th August 2019 appointed Ms. Reena Bhagwati (DIN: 00096280) as an Independent Director of the Company for a period of 5 years from 1st November 2018 to 31st October 2023. Accordingly, his term as an Independent Director will be ending on 31st October 2023.

Ms. Reena Bhagwati holds directorship in the engineering companies of the Bhagwati Group - Bhagwati Spherocast Private Limited, Bhagwati Autocast Limited & Bhagwati Filters Private Limited She has an MBA from Carnegie Mellon University, USA.

She has spearheaded the Bhagwati Group by providing strategic, fiscal & operational leadership. Under her able leadership, the companies have made remarkable & constant progress. Apart from her business interests, she runs her own NGO and is also deeply involved in various philanthropic activities.

She has held various professional positions and has served as the President of the Institute of Indian Foundrymen (IIF) during 2013-14, Chairperson of the Confederation of Indian Industries (CII) Gujarat State Council during 2016-17, Gujarat State Representative in (CII) Western Regional Council for 2022-23 and is continuing Gujarat State Representative in CII Western Regional Council.

She holds directorship in various listed companies namely M/s. Symphony Limited and M/s. Eimco Elecon (India) Limited

The Board of Directors at its meeting held on 27th June 2023, based on the recommendations of the Nomination and Remuneration Committee ("NRC"), was of the opinion that given the knowledge, background, experience and contribution made by her during her tenure, it would be in the best interest of the Company to re-appoint her as an Independent Director of the Company to continue providing relevant skill-set focus to the composition of the Board. In the opinion of the Board, she fulfils the specified conditions for re-appointment as an Independent Director and is independent of the management. In view of the same, the Board of Directors re-appointed her as an Independent Director of the Company, not liable to retire by rotation, for a second term of 5 consecutive years from 1st November 2023 to 31st October 2028, subject to the approval by the Members of the Company.

The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013 ("the Act"), from a Member proposing the candidature of Ms. Reena Bhagwati for the office of Independent Director of the Company. She has given a declaration to the Board that She continues to meet the criteria of independence as provided in the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

As per Section 149 of the Act and the rules made thereunder and as per Listing Regulations, an Independent Director shall be eligible for reappointment on passing of a special resolution by the Members. Accordingly, approval of the Members is sought for the re-appointment of her as an Independent Director.

As required under Regulation 36 of the Listing Regulations and Clause 1.2.5 of Secretarial Standard-2, other requisite information is annexed as separate Annexure hereto, and forms a part of this Notice.

Except Ms. Reena Bhagwati and her relatives to the extent of their shareholding interest, if any, in the Company, none of the Directors and Key Managerial Personnel of the Company and their relatives, are in any way concerned or interested in this Resolution.

The Board recommends this Special Resolution for your approval.

Item No. 9 Approval of payment of commission to the Non-Executive Directors and Independent Directors of the Company

Currently, the Non-Executive Directors (other than the Managing Director, Wholetime Directors) are paid commission not exceeding 1% of the net profits of the Company per annum computed in accordance with Section 198 of the Act and in the event of the Company having no profits or inadequate profits in any financial year, not exceeding ₹ 50.00 Lakhs (Rupees Fifty Lakhs only), in terms of the resolution passed by the Members at their Annual General Meeting held on 17th August 2021.

In view of efforts, expertise and the responsibility shouldered by Non-Executive Directors and the contributions being made by them, the Board recognizes the need to suitably remunerate them, irrespective of the profits of the Company.

Accordingly, it is proposed to pay commission to the Non-Executive Directors (other than the Managing Director, Wholetime Directors), not exceeding 1% of net profit of the Company as laid down under the provisions of Section 197 and Section 198 of the Act and in the event of the Company, having no profits or inadequate profits in any financial year, in accordance with the limits specified in Part II of Section II (A) of Schedule V to the Act as applicable to the Company but not exceeding ₹ 1.00 Crores (Rupees One Crore Only) for a period of 3 years from 1st April, 2023 to 31st March, 2026, and the same be apportioned amongst them in such manner and up to such amount as the Board and/or Committee of the Board may, from time to time, determine.

The payment of remuneration by way of commission to Non-Executive Directors (other than the Managing Director, Wholetime Directors) will be in addition to the sitting fees payable to them for attending each meeting of the Board/Committee.

Statement of Information for the members pursuant to Section II of Part II of Schedule V to the Companies Act:

I. GENERAL INFORMATION:

S. No.	Information		Description
1	Nature of industry	:	Engineering
2	Date or expected date of commencement of commercial production		The Company was incorporated on 14th September 2017 and commenced commercial production thereafter.

S. No.	Information		Description
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	: : :	Not Applicable.
4	Financial performance based on given indicators (As per audited financial statements for the year ended 31.03.2023)	:	(table below)
5	Foreign investments or collaborations, if any	:	Not Applicable.

Particulars	₹ in Lakhs Standalone	Consolidated
Sales & Other Income	41,573.40	41,258.02
EBIDTA	8,713.23	8,394.70
Net Profit	5,463.03	5,143.00

II. INFORMATION ABOUT THE APPOINTEE:

1. Past remuneration:

Currently, the Non-Executive Directors (other than the Managing Director, Wholetime Directors) are paid commission not exceeding 1% of the net profits of the Company per annum, computed as per Section 198 of the Act and in the event of the Company having no profits or inadequate profits in any financial year, not exceeding ₹ 50.00 Lakhs (Rupees Fifty Lakhs only), in terms of the resolution passed by the Members at the Annual General Meeting held on 17th August 2021.

2. Recognition or awards: Not Applicable

3. Job profile and his suitability: Not Applicable

4. Remuneration proposed: The details of the proposed remuneration have already been explained hereinabove.

5. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin): Not Applicable

6. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:

The non-executive directors do not have any pecuniary relationship with the Company except the remuneration and the sitting fees being paid to them. They do not have any pecuniary relationship with managerial personnel of the company.

III. OTHER INFORMATION:

S. No.	Information	Description
1	Reasons of loss or inadequate profits	Not Applicable
2	Steps taken or proposed to be taken for improvement	Not Applicable
3	Expected increase in productivity and profits in measurable terms	Not Applicable

None of the Directors and Key Managerial Personnel of the Company and their relatives, are in any way concerned or interested in the said Resolution.

The Board recommends this Ordinary Resolution for your approval.

Item No. 10 Approval for enhancement of borrowing limits of the company under section 180(1)(c) of the Companies Act, 2013

Item No. 11 Approval for mortgage, sell, lease or dispose off the assets of the company under section 180(1)(a) of the Companies Act, 2013

As per the provisions of Section 180 (1) (c) of the Companies Act, 2013, the Board of Directors of the Company cannot, except with the permission of the Shareholders in General Meeting by passing a Special Resolution, borrow monies in excess of the aggregate of the paid-up share capital, free reserves and securities premium of the Company.

The shareholders, at their Annual General Meeting held on 29th September 2018, authorized the Board with the total borrowing limits upto ₹ 500.00 Crores (Rupees Five Hundred Crores only). Taking into consideration the growth in the business operations, foreseeable future plans and the existing credit facilities availed by the Company, it would be in the interest of the Company to enhance the borrowing limit. Keeping in view the existing and future financial requirements to support the business operations of the Company, it is proposed to increase the maximum borrowing limit up to ₹ 800.00 Crores (Rupees Eight Hundred Crores only). For the said proposal the shareholders' approval u/s 180(1)(c) and 180(1)(a) is required.

The borrowings of the Company are, in general, required to be secured by suitable mortgage or charge on all or any of the movable and/ or immovable properties of the Company in such form, manner and ranking as may be determined by the Board of Directors of the Company, from time to time, in consultation with the lender(s).

The mortgage and/or charge by the Company of its movable and/or immovable properties and/or the whole or any part of the undertaking(s) of the Company in favour of the lenders/agent(s)/trustees. Further, the Company in certain events of default by the Company, may be regarded as disposal of the Company's undertaking(s) within the meaning of Section 180 (1)(a) of the Companies Act, 2013. Hence it shall be necessary to obtain approval for the same from the Shareholders.

None of the Directors and Key Managerial Personnel of the Company and their relatives, are in any way concerned or interested in the said Resolution.

The Board recommends this Special Resolutions at item no. 10 and 11 for your approval.

Registered Office:
Behind 66 KV Elec. Sub-Station,
Odhav Road,
Ahmedabad-382415
Date: 27th June 2023

By order of the Board
For The Anup Engineering Limited

Chintankumar Patel
Company Secretary
Membership No. A29326

Annexure to Item No. 3, 6, 7 and 8 of the Notice

Details of Directors seeking reappointment at the ensuing Annual General Meeting

(Pursuant to Regulation 24(6) and 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India)

Name of the Director	Mr. Punit S. Lalbhai	Mr. Arpit Patel	Mr. Ganpatraj Chowdhary	Ms. Reena Bhagwati
Director Identification Number (DIN)	05125502	00059914	00344816	00096280
Date of Birth	12/03/1982	04/06/1958	23/03/1963	26/08/1966
Nationality	Indian	Indian	Indian	Indian
Date of first appointment on the Board	25/10/2017	01/11/2018	01/11/2018	01/11/2018
Qualifications	Refer brief profile in report on Corporate Governance	Refer brief profile in report on Corporate Governance	Refer brief profile in report on Corporate Governance	Refer brief profile in report on Corporate Governance
Experience (including expertise in specific functional area)/Brief Resume	Refer brief profile in report on Corporate Governance	Refer brief profile in report on Corporate Governance	Refer brief profile in report on Corporate Governance	Refer brief profile in report on Corporate Governance
Terms and Conditions of Appointment / Reappointment	Non-Executive Director liable to retire by rotation	Independent Director not liable to retire by rotation	Independent Director not liable to retire by rotation	Independent Director not liable to retire by rotation
Remuneration last drawn (including sitting fees, if any) till 31st March 2023	Commission ₹ 3,00,000/- Sitting Fee ₹ 40,000/-	Commission ₹ 7,00,000/- Sitting Fee ₹ 1,60,000/-	Commission ₹ 5,00,000/- Sitting Fee ₹ 50,000/-	Commission ₹ 5,00,000/- Sitting Fee ₹ 1,50,000/-
Directorship in other Companies as on 31.03.2023 (excluding Foreign, private and Section 8 companies)	1. Arvind Limited 2. Arvind Fashions Limited 3. Arvind Smart Textiles Limited 4. Arvind Envisol Limited 5. Dipak Nitrite Limited	1. Arvind Limited	1. Shree Rama Newsprint Limited 2. Riddhi Siddhi Gluco Biols Limited	1. Bhagwati Autocast Limited 2. Eimco Elecon (India) Limited 3. Symphony Limited
Membership of Committees in other Public Limited Companies	**Arvind Limited** Corporate Social Responsibility Committee – Member **Dipak Nitrite Limited** Corporate Social Responsibility Committee – Member	**Arvind Limited** Audit Committee –Chairman Environmental Social and Governance Committee –Member Risk Management Committee – Chairman	**Riddhi Siddhi Gluco Biols Limited** Audit Committee - Member Stakeholders' Relationship Committee -Member Corporate Social Responsibility Committee – Chairman	**Bhagwati Autocast Limited** Audit Committee - Member Stakeholders' Relationship Committee - Member **Symphony Limited** Audit Committee - Member Nomination and remuneration committee – Chairman Stakeholder's Relationship -

Name of the Director	Mr. Punit S. Lalbhai	Mr. Arpit Patel	Mr. Ganpatraj Chowdhary	Ms. Reena Bhagwati
			Shree Rama Newsprint Limited Nomination and Remuneration Committee - Member Corporate Social Responsibility Committee – Member	Member **Eimco Elicon (India) Limited** Nomination and remuneration committee – Member
No. of Shares held in the Company as on 31.03.2023 (Face Value ₹ 10/- per share)	137	Nil	Nil	34,000
Number of Meetings of the Board attended during the year	6 (Six)	6 (Six)	2 (Two)	6 (Six)
Relationship with other Directors, Manager and Key Managerial Personnel of the Company	Mr. Punit S. Lalbhai is a son of Mr. Sanjay S. Lalbhai, Chairman and Non-Executive Director of the Company.	None	None	None

Directors' Report

To,

The Members,

Your Directors are pleased to present the 6th (Sixth) Annual Report together with the Audited Financial Statements of the company for the financial year ended on 31st March 2023.

1 FINANCIAL PERFORMANCE

The Audited Standalone and Consolidated Financial Statements of the Company as on 31st March 2023 are prepared in accordance with the relevant applicable IND AS and provisions of the Companies Act, 2013.

The summarized financial highlight is depicted below:

(₹ in Lakhs)

Particulars	**Standalone**		***Consolidated**	
	FY 2022-23	FY 2021-22	**FY 2022-23**	FY 2021-22
Revenue from operations	**41,133.81**	28,824.16	**41,133.81**	28,824.16
Other Income	**439.59**	454.02	**124.21**	376.77
Total Income	**41,573.40**	29,278.18	**41,258.02**	29,200.93
Profit before Finance Cost, Depreciation & Amortization and Tax Expenses	**8,713.23**	7,454.39	**8,394.70**	7,374.59
Finance Cost	**139.33**	103.13	**140.83**	103.13
Depreciation & Amortization	**1,254.05**	1,159.22	**1,254.05**	1,159.22
Profit Before Tax	**7,319.85**	6,192.02	**6,999.82**	6,112.22
(i) Provision for Taxation (Current)	**1,815.00**	1,545.00	**1,815.00**	1,545.00
(ii) Deferred Tax Charge/(Credit)	**41.82**	(80.85)	**41.82**	(80.85)
(iii) Excess provision of tax for to earlier years written back	**-**	(1,557.37)	**-**	(1,557.37)
Profit After Tax	**5,463.03**	6,285.24	**5,143.00**	6,205.44
Other Comprehensive income	**8.62**	(4.32)	**8.62**	(4.32)
Total Comprehensive Income /(Loss) for the year Net of Tax	**5,471.65**	6,280.92	**5,151.62**	6,201.12

* There is negligible impact on consolidated financials as its Subsidiary has not yet started its operation during the year under review.

2 PERFORMANCE REVIEW AND THE STATE OF COMPANY'S AFFAIRS

On Standalone Basis

The total income of the Company was ₹ 41,573.40 Lakhs during the year as against ₹ 29,278.18 Lakhs in the previous year. The Company has reported net profit of ₹ 5,463.03 Lakhs during the year under review as against profit of ₹ 6,285.24 Lakhs in the previous year.

On Consolidated Basis

The consolidated total income of the Company was ₹ 41,258.02 Lakhs during the year as against ₹ 29,200.93 Lakhs in the previous year. The Company has reported consolidated net profit of ₹ 5,143.00 Lakhs during the year under review as against profit of ₹ 6,205.44 Lakhs in the previous year.

Order Book

All time high opening order book of ₹ 530.00 Crores as on 31st March 2023.

3 DIVIDEND

The Board of Directors at their meeting held on 17th May 2023, have recommended a final dividend of ₹ 15/- (150 %) per equity share of ₹ 10/- each for the financial year ended on 31st March 2023. The proposal is subject to the approval of shareholders at the ensuing Annual General Meeting. The final dividend on equity shares, if approved by the members, would involve a cash outflow of approximately ₹ 15.00 Crores.

4 DIVIDEND DISTRIBUTION POLICY

In terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), the Board of the Company has adopted a Dividend Distribution Policy, which is available on the website of the Company at https://www.anupengg.com/policies/.

5 TRANSFER TO RESERVES

As permitted under the provisions of the Companies Act, 2013, the Board does not propose to transfer any amount to general reserve.

6 MATERIAL CHANGES AND COMMITMENT AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes and/or commitments which may affect the financial position of the Company between the end of the financial period and the date of this report.

7 SHARE CAPITAL

During the financial year under the review, there has been no change in the Authorised Capital of the Company. The Authorised share capital of the company as on 31st March 2023 stood at ₹ 65,25,00,000/- divided into 6,52,50,000 equity shares of ₹ 10/- each.

Change in Share Capital

Particulars	No. of Equity Shares	Face Value (₹)	Paid-up Share Capital (₹)
Paid up Capital of the Company as on 01 April 2022	98,81,150	10/-	9,88,11,500
Equity Shares allotted under ESOP during the year under review	15,000	10/-	1,50,000
Paid up Capital of the Company as on 31 March 2023	98,96,150	10/-	9,89,61,500

During the year under review, the Company has neither issued shares with differential voting rights nor sweat equity shares.

8 EMPLOYEE STOCK OPTION SCHEMES (ESOS)

The Company has instituted three schemes viz, The Anup Engineering Limited - Employee Stock Option Scheme - 2018 ("TAEL ESOS - 2018"), The Anup Engineering Limited - Employee Stock Option Scheme (Demerger) - 2018 ("TAEL ESOS (DEMERGER) - 2018") and ANUP - Employee Stock Option Scheme - 2019 ("ANUP - ESOS 2019").

The Company has issued 87,500 options under TAEL ESOS - 2018, 58,371 options under TAEL ESOS (DEMERGER) - 2018 and 57500 options under Anup - ESOS 2019 up to 31st March 2023. All these options are convertible into equal number of Equity Shares of face value of ₹ 10/- each.

The disclosures with respect to TAEL ESOS - 2018, TAEL ESOS (Demerger) - 2018 and ANUP ESOS - 2019 as required by Section 62 of the Companies Act, 2013, Rule 12 of Companies (Share Capital and Debentures) Rules, 2014 and the Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2021 are set out in **Annexure-A** to the Board's Report.

9 DISCLOSURE UNDER SECTION 67(3)(C) OF THE COMPANIES ACT, 2013

No disclosure is required under section 67(3)(c) of the Companies Act, 2013 read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014 in respect of voting rights not exercised directly by the employees of the Company as the provisions of the said section are not applicable.

10 DEPOSITS

The Company has not accepted or renewed any deposits in terms of Chapter V of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014 and hence furnishing the details of deposit in terms of Chapter V of the Companies Act, 2013 is not applicable to the Company. Further there are no outstanding deposits as at 31st March 2023.

11 PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The Particulars of loans given, investments made, guarantees given and securities provided as per Section 186 of the Companies Act, 2013 by the Company are disclosed in the financial statements of the company.

12 CORPORATE SOCIAL RESPONSIBILITY

The Anup Engineering Limited Policy on Corporate Social Responsibility (TAELCSR) emphasizes the underlying value system of the company and a firm belief that only in a healthy society healthy businesses flourish.

The policy facilitates and formalizes the CSR processes, sets up a guiding structure and defines broader thematic areas for projects and programs. The Company defines an annual budget and CSR initiatives and works with like-minded organizations.

Our CSR Policy is in sync with the broader areas of Schedule VII of the Companies Act, 2013 and will always be aligned to the amendments that get incorporated in the schedule.

During the year under review, the company undertook two projects. These included an ongoing project of "Farmers' Skill Training" under the broad theme Rural Development and have completed the need assessment study for starting the Rural Development Project around our proposed area of operation at Kheda.

The brief details of Corporate Social Responsibility Policy, initiatives undertaken and the amount spent during the financial year 2022-23 is enclosed as **Annexure-B** to the Board's Report.

13 HUMAN RESOURCES

A company grows when its people grow. At Anup we believe that talent truly shapes organizational success and destiny. There is highest commitment to investing in hiring the right talent, sustainably engaging and developing them, retaining and rewarding them to deliver organizational results and growth.

An important focus area for the organization has been to respond to trends shaping the future of work that make the company agile, productive and help improve HR systems, processes and enhance employee experience.

The company has invested efforts in bringing effectiveness in hiring and creating an employer brand, creating internal mobility, reorganizing structures in line with business plans and performance and establishing the right rewards and recognition.

To ensure that our employees continue to challenge themselves and grow, the company has brought a significant focus to internal mobility and to rotating employees across different functional roles in order to grow into higher roles.

On learning our focus shall continue to be towards digitalization of learning and introduction of various e-learning courses on managerial & functional competencies. Adoption of digital tools, incorporation of hybrid work culture, in our new way of working has ensured that our employees are equipped to work with these through the right skills.

While doing so, we have been cognizant of understanding what motivates and engages our people and how they perceive their work environment. Therefore, we encourage open and regular dialogue between managers and their team members and offer hand holding support which ensures our people feel comfortable to speak up, raise concerns and are empowered to initiate improvements.

Our approach to performance management is a holistic one wherein, while holding people accountable, we look at continuous development and create opportunities for them to excel in new and or larger roles. This approach is directly linked to our compensation framework and promotion process. We also offer a wide range of benefits to our employees.

To ensure we develop future leaders, we provide a number of opportunities to foster management and leadership skills. The purpose is to equip our people with the necessary capabilities to lead the organization through change, develop their teams, manage performance and ensure business success in line with the organizational strategy.

14 RISK MANAGEMENT POLICY

The Company has in place a mechanism to identify, assess, monitor, and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

The Company' internal control encompasses various managements systems, structures of organization, standard and code of conduct which all put together help in managing the risks associated with the Company. With a view to ensure the internal controls systems are meeting the required standards, the same are reviewed at periodical intervals. If any weaknesses are identified in the process of review the same are addressed to strengthen the internal controls which are also in turn reviewed at frequent intervals.

The Company has a Risk Management Committee of the Board of Directors and Risk Management Policy consistent with the provisions of the Act and the Listing Regulations. The Internal Audit Department facilitates the execution of Risk Management Practices in the Company, in the areas of risk identification, assessment, monitoring, mitigation and reporting. The Company has laid down procedures to inform the Audit Committee as well as the Board of Directors about risk assessment and related procedures & status.

The framework defines the process for identification of risks, its assessment, mitigation measures, monitoring and reporting. While the Company, through its employees and Executive Management, continuously assess the identified Risks, the Audit Committee reviews the identified Risks and its mitigation measures annually.

The Risk Management Policy which is available on the website of the Company at https://www.anupengg.com/policies/.

15 INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The Company has an Internal Audit department with adequate experience and expertise in internal controls, operating system and procedures.

The system is supported by documented policies, guidelines and procedures to monitor business and operational performance which are aimed at ensuring business integrity and promoting operational efficiency.

The Internal Audit Department reviews the adequacy of internal control system in the Company, its compliance with operating systems and laid down policies and procedures. Based on the report of internal audit function, process owners undertake corrective actions in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board of Directors from time to time.

16 VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a vigil mechanism named Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The details of the Whistle Blower Policy are explained in the Corporate Governance Report and is available on the website of the Company at https://www.anupengg.com/policies/.

17 SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES/WHOLLY OWNED SUBSIDIARIES

As on 31st March 2023, the Company has a one wholly own subsidiary company namely "Anup Heavy Engineering Limited". Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, a statement containing salient features of financial statements of subsidiaries, associates and joint venture companies in Form AOC-1 is enclosed as **Annexure-C** to the Board's Report. The separate audited financial statements in respect of the subsidiary shall be kept open for inspection at the Registered Office of the Company. The Company will also make available these documents upon request by any Member of the Company interested in obtaining the same. The separate audited financial statements in respect of the subsidiary are also available on the website of the Company at https://www.anupengg.com/financial-reports/.

The Company has framed a policy for determining material subsidiaries, which has been available on the website of the Company at https://www.anupengg.com/policies/.

Amalgamation of Anup Heavy Engineering Limited ('AHEL')

The Scheme of Amalgamation between The Anup Engineering India Limited **('TAEL')** and Anup Heavy Engineering Limited **('AHEL')** and their respective shareholders and creditors **('Scheme')** under Sections 230 to 232 of the Companies Act, 2013 was approved by the Board of Directors of TAEL and AHEL respectively and necessary application/petitions for amalgamation were filed with Honorable National Company Law Tribunals **('Tribunal')**, Bench at Ahmedabad.

The Company had filed a First Motion Petition with the Honorable National Company Law Tribunal, Ahmedabad **('Tribunal')** along with relevant annexures through the online mode on 27th March 2023. The hearing of the petition was held on 21st April 2023 and the Tribunal on its order dated 17th May 2023 had dispensed all the meetings of AHEL **(Transferor Company)** and TAEL **('Transferee Company')**.

The Company expects the completion of Amalgamation in FY 2023-24.

18 DIRECTORS AND KEY MANAGERIAL PERSONNEL

Directors:

The Board of Directors consists of 6 members, out of which 3 are Independent Directors including one women Independent Director and 3 are Non-Executive and Non-Independent Directors. The composition is in compliance with the Companies Act, 2013 and Listing Regulation.

As per the provisions of Section 152(6) of the Companies Act, 2013 and the company's Articles of Association, Mr. Punit S. Lalbhai (holding DIN 05125502) shall retire by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment as the Director of the Company.

Key Managerial Personnel:

During the year under review Mr. Rishi Roop Kapoor resigned as Chief Executive Officer of the company as on 8th October 2022 and after close of the financial year Mr. Bhavesh Shah resigned as Chief Financial Officer of the company as on 10th April 2023. The Board of Directors, based on the recommendation of the Nomination and Remuneration Committee (NRC), appointed Mr. Reginaldo Dsouza as Chief Executive officer of the Company as on 8th October 2022 and Mr. Nilesh Hirapara as Chief Financial Officer of the company as on 10th April 2023 as per the provisions of Section 203 of the Companies Act, 2013, Hence as on date this report Mr. Reginaldo Dsouza, Chief Executive Officer, Mr. Nilesh Hirapara, Chief Financial Officer and Mr. Chintankumar Patel, Company Secretary are the key managerial personnel of the Company.

19 ANNUAL EVALUATION MADE BY THE BOARD

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual evaluation of its own performance as well as that of its Committees and individual directors. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

20 REMUNERATION POLICY

The Board has, on the recommendation of the Nomination and Remuneration Committee, framed a policy for selection and appointment of Directors, Key Managerial Personnel and Senior Management and their remuneration. The Remuneration Policy is available on the website of the Company at https://www.anupengg.com/policies/.

21 FAMILIARIZATION PROGRAM FOR THE INDEPENDENT DIRECTORS

The Independent Directors have been updated with their roles, rights and responsibilities in the Company by specifying it in their appointment letter along with necessary documents, reports and internal policies to enable them to familiarize with the Company's procedures and practices. The Company has through presentations, at regular intervals, familiarized and updated the Independent Directors with the strategy, operations and functions of the Company and Engineering Industry as a whole. The details of such familiarization programs for Independent Directors are explained in the Corporate Governance Report and is available on the website of the Company at https://www.anupengg.com/disclosures/.

22 DECLARATION OF INDEPENDENCE

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and they have complied with the Code for Independent Directors as prescribed in Schedule IV to the Companies Act, 2013.

23 BOARD AND COMMITTEE MEETINGS

A total 6 Meetings of the Board of Directors, 5 meetings of Audit Committee, 1 meeting of Nomination and Remuneration committee, 1 meeting of Stakeholder's Relationship Committee, 2 meetings of Corporate Social Responsibility Committee, 3 meetings of Risk Management Committee and 1 meeting of Independent director committee and 6 meeting of Management Committee were held during the financial year ended 31st March 2023. Further the details of the Board and the Committee meetings are provided in the Corporate Governance Report forming part of this Report.

24 DIRECTORS' RESPONSIBILITY STATEMENT

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

a. in preparation of the annual accounts for the financial year ended 31st March 2023, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

c. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. they have prepared the annual accounts on a going concern basis;

e. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;

f. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

25 RELATED PARTY TRANSACTIONS

All the related party transactions are entered on arm's length basis, in the ordinary course of business and are in compliance with the applicable provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel, etc. which may have potential conflict with the interest of the Company at large or which warrants the approval of the shareholders. Accordingly, no transactions are being reported in Form AOC-2 in terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014. However, the details of transactions with Related Parties are provided in the Company's financial statements in accordance with the Accounting Standards.

All Related Party Transactions are presented to the Audit Committee and the Board. Omnibus approval is obtained for the transactions which are foreseen and repetitive in nature. A statement of all related party transactions is presented before the Audit Committee on a quarterly basis, specifying the nature, value and terms and conditions of the transactions.

The policy on Related Party Transactions as approved by the Board is available on website of the company at https://www.anupengg.com/policies/.

26 SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

No significant or material orders impacting going concern basis were passed by the regulators or courts or tribunals which impact the going concern status and Company's operations in future.

27 AUDITORS AND AUDITORS' REPORT

Statutory Auditors:

In line with Section 139 of the Companies Act, 2013 and the Rules made thereunder, M/s. Sorab S. Engineer & Co., Chartered Accountants, Ahmedabad (ICAI Registration No.110417W), were appointed as the Statutory Auditor of the Company from the conclusion of the 1st Annual General Meeting till the conclusion of the ensuing 6th Annual General Meeting.

M/s. Sorab S. Engineer & Co., Chartered Accountants, Ahmedabad will complete their first term of 5 consecutive years as the Statutory Auditor of the Company at the ensuing 6th Annual General Meeting. As recommended by the Audit Committee and the Board of Directors of the Company and in terms of Section 139 of the Companies Act, 2013, it is proposed to re-appoint M/s. Sorab S. Engineer & Co., Chartered Accountants, Ahmedabad as the Statutory Auditor of the Company, for second term of 5 years from the conclusion of the 6th Annual General Meeting till the conclusion of the 11th Annual General Meeting.

The Statutory Auditor has issued Audit Reports with unmodified opinion on the Standalone and Consolidated Financial Statements of the Company for the year ended 31st March, 2023. The Notes on the Financials Statement referred to in the Audit Report are self-explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3) (f) of the Companies Act, 2013.

Cost Auditors:

The Company has made and maintained cost accounts and records as specified by the Central Government under Section 148(1) of the Companies Act, 2013. For the financial year 2022-23, M/s. Maulin Shah & Associates, Cost Accountants, Ahmedabad (Firm Registration No. 101527) have conducted the audit of the cost records of the Company.

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Notifications / Circulars issued by the Ministry of Corporate Affairs from time to time, the Board appointed M/s. Maulin Shah & Associates, Cost Accountants, to conduct the audit of the cost records of the Company for the financial year 2023-24.

The remuneration payable to the Cost Auditor is subject to ratification by the Members at the Annual General Meeting. Accordingly, the necessary Resolution for ratification of the remuneration payable to M/s. Maulin Shah & Associates, Cost Accountants, to conduct the audit of cost records of the Company for the financial year 2023-24 has been included in the Notice of the forthcoming 6th Annual General Meeting of the Company. The Directors recommend the same for approval by the Members.

Secretarial Auditors:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Ms. Ankita Patel, Company Secretary in practice, Ahmedabad to conduct the Secretarial Audit of the Company for the financial year 2022-23. The Secretarial Audit Report is annexed herewith as **Annexure–D** to the Board's Report. There were no qualifications, observations, reservations, comments or other remarks in the Secretarial Audit Report, which have any adverse effect on the functioning of the Company.

28 CORPORATE GOVERNANCE REPORT AND MANAGEMENT DISCUSSION & ANALYSIS

The Corporate Governance Report and Management Discussion & Analysis, which form part of this Report, are set out separately together with the Certificate from the auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated in Regulation 34(2)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule V of the Listing Regulations.

29 BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

The Business Responsibility and Sustainability Report as required by Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the year under review is annexed to the Boards' Report and forms an integral part of this report.

30 SECRETARIAL STANDARDS

During the year under review, the Company has complied with the provisions of Secretarial Standard -1 and Secretarial Standard - 2 issued by the Institute of Company Secretaries of India.

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014 is annexed herewith as **Annexure-E** to the Board's Report.

32 EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3) (a) of the Companies Act 2013, the Annual Return as on 31st March 2023 is available on the website of the Company at https://www.anupengg.com/financial-reports/.

33 PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of the employees of the Company, will be provided upon request. In terms of Section 136(1) of the Companies Act, 2013, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard. Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in **Annexure-F** to the Board's Report.

34 DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

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

Arvind Internal Complaints Committee (AICC) is formed and its details are declared across the organization. All AICC members are trained by subject experts on handling the investigations and proceedings as defined in the policy

During the financial year 2022-23, No complaints of sexual harassment were received by the AICC.

35 ENHANCING SHAREHOLDERS' VALUE

Your Company believes that its members are its most important stakeholders. Accordingly, your Company's operations are committed to the pursuit of achieving high levels of operating performance and cost competitiveness, consolidating and building for growth, enhancing the productive asset and resource base and nurturing overall corporate reputation. Your Company is also committed to creating value for its other stakeholders by ensuring that its corporate actions positively impact the socio-economic and environmental dimensions and contribute to sustainable growth and development.

36 GENERAL

The Board of Directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions or applicability pertaining to these matters during the year under review:

i) Fraud reported by the Auditors to the Audit Committee or the Board of Directors of the Company.

ii) Payment of remuneration or commission from any of its subsidiary companies to the Managing Director/ Whole Time Director of the Company.

iii) Voting rights which are not directly exercised by the employees in respect of shares for the subscription/ purchase of which loan was given by the Company (as there is no scheme pursuant to which such persons can beneficially hold shares as envisaged under section 67(3)(c) of the Companies Act, 2013).

iv) Details of any application filed for corporate insolvency under Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code, 2016.

v) One time settlement of loan obtained from the banks or financial institutions.

37 ACKNOWLEDGEMENT

Your Directors would like to express their appreciation for the assistance and co-operation received from the Company's customers, vendors, bankers, auditors, investors, Government authorities and stock exchanges during the year under review. Your Directors place on record their appreciation of the contributions made by employees at all levels. Your Company's consistent growth was made possible by their hard work, solidarity, co-operation and support.

For and on behalf of the Board of Directors

Place: Ahmedabad
Date: 17th May 2023

Sanjay S. Lalbhai
Chairman
DIN: 00008329

Annexure – A to the Directors' Report

Disclosures under Regulation 14 of the SEBI (Share based Employee Benefits and Sweat Equity) Regulations, 2021

1	Description of ESOS	ESOS 2018	ESOS DEMERGER 2018	Anup - ESOS 2019
(a)	Date of shareholder's approval	12th May 2018 Date of approval to the Composite Scheme of Arrangement involving De-merger, amalgamation and restructure of Capital amongst Arvind Limited, Arvind Fashions Limited, Anveshan Heavy Engineering Limited and The Anup Engineering Limited and their respective Shareholders and creditors (**"the Scheme"**)		07th Aug 2019
(b)	Total number of shares approved	3,50,000	3,53,667	5,00,000
(c)	Vesting requirements	Options vest over a period of 1 to 5 years based on continued service and certain performance parameters.		
(d)	Exercise price or pricing formula	As decided by the Board/Committee at its own discretion. However, this exercise price shall not be less than the face value of the shares.	Market price of the equity shares being latest available closing price on the Stock Exchange.	The exercise price shall be the Market Price for options to be granted under this scheme. However, it can be such other price as may be decided by the Board/Committee for grant of options not exceeding 0.5% of the paid up equity shares as on 31st March 2019 i.e. not exceeding 50,969 shares or such other price as may be required to be arrived in accordance with the applicable laws. Further, Board/Committee shall grant such options not exceeding 0.5% of paid up capital as mentioned above to employees in lieu of cash compensation based on achievement of key performance indicators and such options shall not exceed 0.15% of the paid-up capital i.e. not exceeding 15,290 shares to any one employee.
(e)	Maximum term of options granted	5 years from the date of grant		
(f)	Source of shares	Primary		

(g)	Variation of terms of options	None		
2	Method used to account for ESOS	Fair Value Method		
3	Where the Company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on the profits and EPS of the Company shall also be disclosed.	Not applicable		
	(i) Difference between Intrinsic value and Fair value compensation cost (₹)			
	(ii) Impact on the Profits of the Company (₹)			
	(iii) Impact on Basic Earnings Per Share of the Company (₹)			
	(iv) Impact on Diluted Earnings Per Share of the Company (₹)			
4	Option movement during the year:			
(a)	Options Outstanding at the beginning of the year	37,500	33,333	57,500
(b)	Options issued during the year (pursuant to the Scheme)	0	0	20,000
(c)	Options forfeited/lapsed during the year	0	0	0
(d)	Options vested during the year	0	0	0
(e)	Options exercised during the year	15,000	0	0
(f)	Number of shares arising as a result of exercise of option	15,000	0	0
(g)	Money realised by exercise of options (₹)	22,71,450/-	0	0
(h)	Loan repaid by the Trust during the year from exercise price received (₹)	NA	NA	NA
(i)	Options Outstanding at the end of the year	22,500	33,333	57,500
(j)	Options Exercisable at the end of the year	22,500	33,333	15,000
5A	Weighted average exercise prices of outstanding options whose:			
	Exercise price equals market price of stock (₹)	151.43	385.29	650.62
	Exercise price exceeds market price of stock (₹)	-	-	-
	Exercise price is less than market price of stock (₹)	-	-	10.00
5B	Weighted average fair value of outstanding options whose:			
	Exercise price equals market price of stock (₹)	412.44	156.08	266.44
	Exercise price exceeds market price of stock (₹)	-	-	-
	Exercise price is less than market price of stock (₹)	-	-	468.11

6	Grantee wise details of options granted to:			
	(i) Key managerial personnel;	No grants made during the year.	No grants made during the year.	No grants made during the year.
	(ii) any other grantee who receives a grant in any one year of options amounting to five per cent or more of options granted during that year;			
	(iii) identified employees who were granted options, during any one year, equal to or exceeding one per cent of the issued capital (excluding outstanding warrants and conversions) of the issuer at the time of grant.			
7	A description of the method and significant assumptions used during the year to estimate the fair values of options, including following weighted average information:	No grants made during the year.	No grants made during the year.	No grants made during the year.
	(i) Share price (₹)			
	(ii) Exercise price (₹)			
	(iii) Expected volatility			
	(iv) Expected dividends			
	(v) Risk-free interest rate			
	(vi) Any other inputs to the model			
	(vii) Method used and the assumptions made to incorporate effects of expected early exercise			
	(viii) How expected volatility was determined, including an explanation of the extent of to which expected volatility was based on historical volatility			
	(ix) Whether any or how any other features of option grant were incorporated into the measurement of fair value, such as market condition			

Annexure – B to the Directors' Report

Annual Report on Corporate Social Responsibility (CSR) Activities

[Pursuant to Section 134(3)(o) of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended]

1. **Brief Outline on CSR Policy of the Company:**

   The Corporate Social Responsibility (CSR) Policy of Anup Engineering Limited defines its philosophy and guides its actions for undertaking and supporting socially relevant project and programs. Company's underlying value system has a firm belief that only in a healthy society healthy businesses flourish. The Anup Engineering Limited Policy on Corporate Social Responsibility (TAELCSR) has been put in place to facilitate and formalize the CSR processes, set up a guiding structure and define broader thematic areas for projects and programs. For doing so, the Company would always define an annual budget, select CSR initiatives and would work with like-minded individuals and organizations.

   Our CSR Policy is in sync with the broader areas of Schedule VII of the Companies, Act 2013 and will always be aligned to the changes that gets incorporate in the schedule.

2. **Composition of the CSR Committee**

   The Anup Engineering Limited has set up Corporate Social Responsibility Committee (CSR Committee) as per the requirement of the Companies Act. The members of the CSR Committee are:

Sr. No.	Name of Director	Designation	Position	Number of Meetings held	Number of meetings attended
1	Mr. Punit S. Lalbhai	Non-Executive Director	Chairman	2	2
2	Mr. Arpit Patel	Independent Director	Member	2	2
3	Mr. Ganpatraj Chowdhary	Independent Director	Member	2	-

3. **Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.**

   https://www.anupengg.com/wp-content/uploads/2019/02/Corporate-Social-Responsibility-Policy.pdf.

4. **Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable.**

   Not Applicable

5. a) **Average net profit of the Company as per sub-section (5) of section 135:** ₹ 63,37,24,474.44
   b) **Two percent of average net profit of the company as per sub-section (5) of section 135:** ₹ 1,26,74,489.49
   c) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years:** Nil
   d) **Amount required to be set off for the financial year, if any:** Nil
   e) **Total CSR obligation for the financial year [(b)+(c)+(d)]:** ₹ 1,26,74,489.49

6. a) **Amount spent on CSR Projects (both Ongoing Project and other than Ongoing project):** ₹ 1,27,00,000.00
   b) **Amount spent in Administrative Overheads:** Nil
   c) **Amount spent on Impact Assessment, if applicable:** Nil
   d) **Total amount spent for the Financial Year [(a)+(b)+(c)]:** ₹ 1,27,00,000.00
   e) **CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
1,27,00,000/-	-	-	-	-	-

f) **Excess Amount for set off, if any:**

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per sub section (5) of section 135	1,26,74,489.49
(ii)	Total amount spent for the Financial Year	1,27,00,000.00
(iii)	Excess amount spent for the financial year [(ii)-(i)]	25,510.51
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	25,510.51

7. **Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:**

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding financial years (in ₹)	Deficiency, if any
					Amount (in Rs)	Date of transfer		
Not Applicable								

8. **Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:** No

   Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Not Applicable

9. **Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135:** Not Applicable

Place: Ahmedabad
Date: 17th May 2023

Punit S. Lalbhai
Chairman – CSR Committee

Reginaldo Dsouza
Chief Executive Officer

Annexure – C to the Directors' Report

Form AOC - 1

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

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

Part "A": Subsidiaries

₹ in Lakhs

1.	Sr.	1
2	Name of the subsidiary	Anup Heavy Engineering Limited
3	The date since when subsidiary was Acquired	20.12.2019
4	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01.04.2022 to 31.03.2023
5	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	INR
6	Share capital	3.02
7	Reserves & surplus	1,994.18
8	Total assets	10,069.21
9	Total Liabilities	3,483.70
10	Details of Investment	Nil
11	Turnover	Nil
12	Profit/(Loss) before Taxation	(4.64)
13	Provision for Taxation	Nil
14	Profit/(Loss) after Taxation	(4.64)
15	Proposed Divided	Nil
16	% of Shareholding	100%

The following information shall be furnished at the end of the statement:

1 Names of subsidiaries which are yet to commence operations: None

2 Names of subsidiaries which have been liquidated or sold during the year: None

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

Part "B": Associates and Joint Ventures

There are no associate companies and joint ventures during the current financial year

The following information shall be furnished at the end of the statement:

1 Names of Associates or Joint Ventures which are yet to commence operations: None

2 Names of Associates or Joint Ventures which have been liquidated or sold during the year: None

For and on behalf of Board of Directors of the Anup Engineering Limited

Sanjay S Lalbhai
Chairman
DIN:00008329

Punit S. Lalbhai
Director
DIN : 05125502

Reginaldo Dsouza
Chief Executive Officer

Nilesh Hirapara
Chief Financial Officer

Chintankumar Patel
Company Secretary
Membership No. A29326

Place: Ahmedabad
Date: 17th May 2023

Annexure – D to the Directors' Report

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31STMARCH, 2023

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

To,
The Members,
The Anup Engineering Limited
CIN: L29306GJ2017PLC099085
Behind 66 KV, Elec. Sub-Station,
Odhav Road, Ahmedabad – 382415

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **The Anup Engineering Limited** (CIN: L29306GJ2017PLC099085) (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) 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;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(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;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(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, 2009; and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

However, it has been found that there were no instances requiring compliance with the provisions of the laws indicated at point (e) to (h) of para (v) mentioned hereinabove during the period under review.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).

I further report that, having regarded to the compliance management system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has compliance management system for the sector specific laws applicable specifically to the Company.

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards mentioned herein above. I have relied on the representations made by the Company and its officers for systems and mechanisms formed by the Company for compliances under other sector specific laws applicable to the Company.

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

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

Majority decision at the board meeting as represented by the management were carried through unanimously whereas as informed, there is system of capturing the views of dissenting members' and recording the same as part of the minutes, wherever required.

I further report that, based on review of compliance mechanism established by the company and on the basis of the compliance certificates / reports taken on record by the Board of Directors of the Company, I am of the opinion that the management has adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable rules, regulations and guidelines as referred hereinabove.

I further report that, during the audit period, except for the following events, there was no other specific event / action in pursuance of the above referred laws, rules, regulations, guidelines, etc. having a major bearing on the Company's affairs :

- allotted 15,000 Equity Shares to the eligible employees pursuant to the exercise of the options granted to them under "TAEL Employee Stock Option Scheme 2018" on 18.10.2022.

CS Ankita Patel
Practicing Company Secretary
M. No.:F8536; COP: 16497
Peer Review Certificate No. No.: 1594/2021
UDIN: F008536E000333509

Place: Ahmedabad
Date: 17th May 2023

Note: This report is to be read with my letter of even date which is annexed as **Annexure I** and forms an integral part of this report.

ANNEXURE - I

To,
The Members,
The Anup Engineering Limited
CIN: L29306GJ2017PLC099085
Behind 66 KV,Elec. Sub-Station,
Odhav Road, Ahmedabad – 382415

Dear Sir,

Sub: Secretarial Audit Report for the Financial Year ended on 31st March, 2023.

My report of even date is to be read along with this letter.

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

CS Ankita Patel
Practicing Company Secretary
M. No.:F8536; COP: 16497
Peer Review Certificate No. No.: 1594/2021
UDIN: F008536E000333509

Place: Ahmedabad
Date: 17th May 2023

Annexure – E to the Directors' Report

Information on Conversation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo stipulated under section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014.

A CONSERVATION OF ENERGY:

The Company's operations involve low energy consumption. Energy conservation is first priority at all levels. All efforts are made to conserve and optimize use of energy with continuous monitoring, improvement in maintenance and distribution systems and through improved operational techniques. Uses of natural lights are resorted at factory premises to save energy. Wherever possible, energy conservation measures have been implemented. Efforts to conserve and optimize the use of energy will continue.

Power and fuel consumption:

		2022-23	2021-22
1. (a)	**Electricity :**		
	Unit	37,33,390	33,50,855
	Total Amount (₹ in Lakhs)	285.14	224.98
	Rate/Unit (₹)	7.64	6.71
(a1)	**Wind mill generation units :**		
	Unit	5,45,480	5,84,080
	Total Amount (₹ in Lakhs)	24.27	21.27
	Rate/Unit (₹)	4.45	3.64
(b)	**Own Generation :**		
	(Through Diesel Generator)		
	Units	130	90
	Total Amount (₹)	3,120	2,070
	Rate/Unit (₹)	24.00	23.00
2.	**Furnace Gas :**		
	Quantity (MMBTU)	3,437.86	2,853.31
	Cost (₹ in Lakhs)	70.88	45.20
	Rate/MMBTU (₹)	2,062.00	1,584.08

B TECHNOLOGY ABSORPTION:

Technology absorption, adaption and innovation:

a) The Company is continuously endeavouring to upgrade its technology from time to time in all aspects through in-house R&D primarily aiming at reduction of cost of production and improving the quality of the product.

b) The company has adopted a technology to fabricate and supply Helical Baffle Heat Exchanger for global markets.

c) The company has signed a technology partnership who are the inventors and leaders in Embaffle Heat Exchangers technology. This technology had made us the only fabricator in India, with such capability.

Research & Development:

a) Specific areas in which R & D carried out by the Company:

The Company has a research & development Laboratory recognized by the Department of Science and Technology. It is engaged in process improvement, product improvement, development of analytical methods and technical services for development of improved control.

b) Benefit derived as a result of R & D:

As a result of Company's research and Development Laboratory, Company is benefited by process and product improvement.

c) Future plan of action:

The Company will continues to lay emphasis on the main areas of R & D set out under Para (a) above.

d) R & D Expenditure:

1	Capital	-	Nil
2	Recurring	-	Nil
3	Total	-	Nil
4	Total R & D expenditure as percentage of total turnover	-	Nil

C FOREIGN EXCHANGE EARNINGS AND OUTGO:

(₹ in Lakhs)

Particulars	2022-23	2021-22
Total foreign exchange used	6,618.52	2,254.99
Total foreign exchange earned	3,406.45	4,741.14

Annexure – F to the Directors' Report

Information required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014

Sr. No.	Particulars	Name of Director	Ratio
i	The ratio of the remuneration of each director to median remuneration of the employees of the Company for the financial year 2022-23	Mr. Sanjay S. Lalbhai	0.70
		Mr. Punit S. Lalbhai	1.08
		Mr. Samvegbhai Lalbhai	0.70
		Mr. Arpit Patel	1.76
		Mr. Ganpatraj Chowdhary	1.12
		Ms. Reena Bhagwati	1.33
ii	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2022-23	**Director**	**% change**
		Mr. Sanjay S. Lalbhai	0
		Mr. Punit S. Lalbhai	6
		Mr. Samvegbhai Lalbhai	0
		Mr. Arpit Patel	4
		Mr. Ganpatraj Chowdhary	(2)
		Ms. Reena Bhagwati	7
		***Chief Executive Officer**	
		Mr. Rishi Roop Kapoor	(62)
		Resigned as on 8th October 2022	
		Reginaldo Dsouza	-
		Appointed as on 8th October 202	
		Chief Financial Officer	
		Mr. Bhavesh Shah	5
		Company Secretary	
		Mr. Chintankumar Patel	14
iii	The percentage increase in the median remuneration of employees the financial year 2022-23		15.00
iv	The number of permanent employees on the rolls of Company	205 Employees as on 31st March 2023	
v	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Average increase for Key Managerial Personnel is *(68.43%) and for other employees was about 13.62%. There is no exceptional increase in remuneration of key Managerial Personnel.	
vi	Affirmation that the remuneration is as per the remuneration policy of the Company	It is affirmed that the remuneration is as per the Remuneration Policy of the Company.	

Remuneration for Directors includes only commission and sitting fees paid during the financial year.

** Excluding the perquisite value being the difference between exercise price and market price on exercise date in respect of ESOPs and Employment is for part of the period, either in current year or in previous year.*

Management Discussion and Analysis

(a) Industry structure and developments:

The Company caters to wide range of process industries including Oil & Gas, Petrochemicals, LNG, Fertilizers, Chemicals, Power, Water, Paper & Pulp and Aerospace with its extensive product range of Heat Exchangers, Reactors, Pressure Vessels, Columns & Towers, Industrial Centrifuges & Formed Components. We are witnessing a strong Capex cycle in the Capital goods, both domestic and International, which works well for manufacturers in this space. India is surely playing a very dominant role in the manufacture and supply of critical process equipment globally through its improved capacities, capabilities and a strong reputation on Quality. Hydrogen as an energy source is also witnessing a strong push on the energy transition road map. Sizeable number of projects are being announced which presents multiple opportunities for manufacturers like us.

(b) Opportunities and Threats:

Opportunities: The buoyant Capex cycle across the Capital goods segment presents ample Opportunities in this space. Post pandemic, over dependence on a country flagged as a big risk for most buyers globally. That's where India emerges as one of the best choices. This is manifesting into good number of orders being bagged by Indian manufacturers like us in this space, providing a good opportunity to improve exports share. The timely expansion at our new state of the art facility at Kheda provides us that added opportunity to take a larger pie. The growth in the specialty chemical segment also means higher possibilities in the exotic/ finer grade material segment which narrows down the competition.

Threats: Being largely steel intensive, the volatile nature of the dependent commodities influence our raw- material cost, thus impacting profitability. It is important to have a robust predictive model to be able to forecast and thereby time the raw material purchasing. Also being into a customized business where every product is designed and made to order, labor skills play an important role especially skilled Fitters & Welders. The availability of skilled workforce to fuel the growth aspirations is always going to be a challenge. Hence high focus on Automation & Productivity improvements, both on the shop floor and office, is the key.

(c) Segment–wise or product-wise performance:

Historically, we have been dominant in the Shell & Tube heat exchangers which formed almost 75% of our annual revenue. Now with our new manufacturing plant at Kheda with close proximity to the National highway provides us that opportunity to address larger sized equipment. Therefore our product range would improve more on Reactors, Vessels, Columns and other larger sized equipment's in future. But Heat exchanger will still continue to be the dominant product. In FY 2023, the Heat exchanger formed 76% of our revenue.

Our customer focus helps us in our endeavour in innovation and also strengthen our capabilities for providing customer satisfaction through differentiated offering. On our Product enhancement, we made good inroads, some memorable first's like our 1st Polymerization reactor successfully delivered, Our highest thickness Reactor supplied, Our 1st Secondary reformer order, are few examples of enhanced product offering. Our breakthrough order in the Floating LNG segment (FLNG) signifies our presence in the offshore opportunities as well. Our impeccable record on ONTIME DELIVERY performance in line with the benchmark sets us apart as a Reliable & Trusted supplier, globally.

(d) Outlook:

The return to normalcy post Covid pandemic meant an increase in the crude Oil requirement back to around the 100mbpd mark. This coupled with the sustained level of crude price over the break- even point meant feasibility of new projects into this space. Also the focus on self-sufficiency, post the pandemic and the current geo-political uncertainties, have led to countries announcing new green field & brown field projects into the Refining & Petrochemical space. Also The GDP growth aspirations announced by developing countries meant Oil & Gas and Petroleum products will continue to be an important part of their energy mix driving the growth.

In India, we have seen through many announcements that India wants to double the refining capacity by 2030 and also sees a big opportunity to take lead in Petrochemical products. This has manifested into many projects hitting the ground like the Petrochemical expansions, PVC & PTA plants to name a few. Announcement of new coal/ lignite gasification plants also provides new opportunities in this segment.

On sustainability, the journey towards newer energy mix, especially Green Hydrogen storage & transmission, brings about huge opportunities for critical process equipment. As the new energy mix picks up, Natural gas will continue to be seen as an important part during the transition phase. We are well placed to be a part of this opportunity.

A good Capex cycle in the capital goods industry provides a strong tailwind to continue our growth momentum, providing opportunity both in domestic and also improving our Exports.

(e) Risks and concerns:

The Company has in place a mechanism to identify, assess, monitor, and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

The Company' internal control encompasses various managements systems, structures of organization, standard and code of conduct which all put together help in managing the risks associated with the Company. With a view to ensure the internal controls systems are meeting the required standards, the same are reviewed at periodical intervals. If any weaknesses are identified in the process of review the same are addressed to strengthen the internal controls which are also in turn reviewed at frequent intervals.

The Company has a Risk Management Committee of the Board of Directors and Risk Management Policy consistent with the provisions of the Act and the Listing Regulations. The Internal Audit Department facilitates the execution of Risk Management Practices in the Company, in the areas of risk identification, assessment, monitoring, mitigation and reporting. The Company has laid down procedures to inform the Audit Committee as well as the Board of Directors about risk assessment and related procedures & status.

The framework defines the process for identification of risks, its assessment, mitigation measures, monitoring and reporting. While the Company, through its employees and Executive Management, continuously assess the identified Risks, the Audit Committee reviews the identified Risks and its mitigation measures annually.

The Risk Management Policy which is available on the website of the Company at https://www.anupengg.com/policies/

(f) Internal control systems and their adequacy:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The Company has an Internal Audit department with adequate experience and expertise in internal controls, operating system and procedures.

The system is supported by documented policies, guidelines and procedures to monitor business and operational performance which are aimed at ensuring business integrity and promoting operational efficiency.

The Internal Audit Department reviews the adequacy of internal control system in the Company, its compliance with operating systems and laid down policies and procedures. Based on the report of internal audit function, process owners undertake corrective actions in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board of Directors from time to time.

(g) Discussion on financial performance with respect to operational performance:

This discussion covers the financial results and other developments during the Financial Year 2022-23 in respect of the Company. Published result is as prepared on Indian Accounting Standards (IND AS). Highlights below given only for comparison.

Financial Highlights for operating performance of FY 2022-23:

(₹ in Lakhs)

Particulars	FY 2022-23	FY 2021-22
Revenue from Operation	**41,133.81**	**28,824.16**
EBITDA	8,273.64	7,000.35
MARGIN	**20.11%**	**24.29%**
PAT	5,463.03	6,285.24

Overall revenues for the year grew 42.71% and stood at ₹ 41,133.81 Lakhs. Sales and Other income for the year ended 31st March 2023 were ₹ 41,573.4 Lakhs as compared to ₹ 29,278.18 Lakhs on 31st March 2022. The net profit stood at ₹ 5,463.03 Lakhs (previous year ₹ 6,285.24 Lakhs).

Strong order pipeline of ₹ 530.00 Crores as on Q4 end to provide good execution visibility.

(h) Material developments in Human Resources / Industrial Relations front, including number of people employed:

A company grows when its people grow. At Anup we believe that talent truly shapes organizational success and destiny. There is highest commitment to investing in hiring the right talent, sustainably engaging and developing them, retaining and rewarding them to deliver organizational results and growth.

An important focus area for the organization has been to respond to trends shaping the future of work that make the company agile, productive and help improve HR systems, processes and enhance employee experience.

The company has invested efforts in bringing effectiveness in hiring and creating an employer brand, creating internal mobility, reorganizing structures in line with business plans and performance and establishing the right rewards and recognition.

To ensure that our employees continue to challenge themselves and grow, the company has brought a significant focus to internal mobility and to rotating employees across different functional roles in order to grow into higher roles.

On learning our focus shall continue to be towards digitalization of learning and introduction of various e-learning courses on managerial & functional competencies. Adoption of digital tools, incorporation of hybrid work culture, in our new way of working has ensured that our employees are equipped to work with these through the right skills.

While doing so, we have been cognizant of understanding what motivates and engages our people and how they perceive their work environment. Therefore, we encourage open and regular dialogue between managers and their team members and offer hand holding support which ensures our people feel comfortable to speak up, raise concerns and are empowered to initiate improvements.

Our approach to performance management is a holistic one wherein, while holding people accountable, we look at continuous development and create opportunities for them to excel in new and or larger roles. This approach is directly linked to our compensation framework and promotion process. We also offer a wide range of benefits to our employees.

To ensure we develop future leaders, we provide a number of opportunities to foster management and leadership skills. The purpose is to equip our people with the necessary capabilities to lead the organization through change, develop their teams, manage performance and ensure business success in line with the organizational strategy.

As on 31st March 2023 there were 205 permanent employees of Management Staff on role of the Company.

(i) Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations thereof, including:

Parameters	Numerator	Denominator	2022-23	2021-22
Debtors Turnover Ratio (times)	Revenue from Operations	Average Debtors	3.0	2.4
Inventory Turnover Ratio (times)	Revenue from Operations	Average Inventory	3.8	3.6
Interest Coverage Ratio (times)	EBIT	Finance Costs	50.4	56.6
Current Ratio (times)	Current Assets	Current Liabilities	2.3	2.3
Debt Equity Ratio (times)	Total Debt	Equity	0.0	0.0
Operating Profit Margin (%)	EBIT	Revenue from Operations	18	20
Net Profit Margin (%)	Net Profit after Tax	Revenue from Operations	13.3	22
Return on Net Worth (%)	Net Profit after Tax	Net worth	12.4	16

(j) Cautionary Statement:

Statements in this report on describing the Company's objectives, expectations or predictions may be forward looking statements within the meaning of applicable security laws or regulations. These statements are based on certain assumptions and expectations of future events. Actual results could however differ materially from those expressed or implied.

The Company assumes no responsibility in respect of the forward looking statements herein which may undergo changes in future on the basis of subsequent developments, information or events.

Business Responsibility and Sustainability Report

SECTION A: GENERAL DISCLOSURES

I. Details of the Company

1	**Corporate Identity Number (CIN) of the Company**	L29306GJ2017PLC099085
2	**Name of the Company**	The Anup Engineering Limited ("Anup")
3	**Year of incorporation**	14/09/2017
4	**Registered address**	Behind 66 KV Elec. Substation, Odhav Road, Ahmedabad – 382415, Gujarat, India
5	**Corporate address**	Behind 66 KV Elec. Substation, Odhav Road, Ahmedabad – 382415, Gujarat, India
6	**E-mail id**	investorconnect@anupengg.com
7	**Telephone**	+91-79-4025 8900
8	**Website**	www.anupengg.com
9	**Financial year for which reporting is being done**	1st April 2022 to 31st March 2023
10	**Name of the Stock Exchange(s) where shares are listed**	1 BSE Limited 2 National Stock Exchanges of India Limited
11	**Paid-up Capital**	₹ 9,89,61,500
12	**Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report**	Mr. Abhishek Bansal - Vice President Corporate Sustainability (Group) E-mail: abhishek.bansal@arvind.in Tel No. +91-79-4025 8900 Mr. Chintankumar Patel - Company Secretary E-mail: chintankumar.patel@anupengg.com Tel No. +91-79-4025 8900
13	**Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).**	Disclosures are on a standalone basis

II. Products/services

14 Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the Entity
1	Manufacturing	Fabrication of Metal and metal products	100%

15. Products/Services sold by the entity (accounting for 90% of the entity's turnover):

S. No.	Product/Service	NIC Code	% of Total Turnover Contributed
1	Heat Exchangers, Pressure Vessels, Towers, Reactors, Column and Centrifuges	28230	100%

III. Operations

16. No. of locations where plants and/or operations/offices of the entity are situated:

Location	Number of Plants	Number of Offices	Total
National	1	1	1
International	0	0	0

17. Markets served by the entity:

a. Number of locations

Location	Number
National (No. of States)	29
International (No. of Countries)	31

b. What is the contribution of exports as a percentage of the total turnover of the entity?

In the reporting year, the contribution of exports is 19.12%.

c. A brief on types of customers:

The Company supplies vide range of process equipment to several business customers which are mainly from Oil & Gas, Petrochemicals, LNG, Fertilizers, Chemicals, Pharmaceuticals, Power, Water, Paper & Pulp and Aerospace industries.

IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
	EMPLOYEES					
1.	**Permanent (D)**	205	200	97.56	5	2.44
2.	**Other than Permanent (E)**	0	0	0	0	0
3.	**Total Employees (D + E)**	205	200	97.56	5	2.44
	WORKERS					
4.	**Permanent (F)**	0	0	0	0	0
5.	**Other than Permanent (G)**	664	664	100	0	0
6.	**Total Workers (F + G)**	664	664	100	0	0

b. Differently abled employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
	DIFFERENTLY ABLED EMPLOYEES					
1.	**Permanent (D)**	0	0	0	0	0
2.	**Other than Permanent (E)**	0	0	0	0	0
3.	**Total Differently Abled Employees (D + E)**	**0**	**0**	**0**	**0**	**0**
	DIFFERENTLY ABLED WORKERS					
4.	**Permanent (F)**	0	0	0	0	0
5.	**Other than Permanent (G)**	6	6	100	0	0
6.	**Total Differently Abled Workers (F + G)**	**6**	**6**	**100**	**0**	**0**

19. Participation/Inclusion/Representation of women:

Particulars	Total (A)	No. and percentage of females	
		No. (B)	% (B / A)
Board of Directors	6	1	16.67%
Key Management Personnel	3	0	0.00%

20 Turnover rate (%) for permanent employees and workers: (Disclose trends for the past 3 years)

Particulars	FY 2022-23 (Turnover rate in current FY)			FY 2021-22 (Turnover rate in previous FY)			FY 2020-21 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	26.00	0	26.00	32.50	0.50	33.00	14.50	0.50	15.00
Permanent Workers	0	0	0	0	0	0	0	0	0

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Anup Heavy Engineering Limited	Subsidiary	100	No

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover (in ₹): 41,133.81 Lakhs

(iii) Net worth (in ₹**):** 44,192.03 Lakhs

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Community	Yes. Refer Point 1	0	0	-	0	0	-
Investors (other than shareholders)	Yes. Refer Point 1	0	0	-	0	0	-
Shareholders	Yes. Refer Point 2	5	0	-	1	0	-
Employee & Workers	Yes. Refer Point 1	0	0	-	0	0	-
Customers	Yes. Refer Point 1	0	0	-	0	0	-
Value Chain Partners	Yes. Refer Point 1	0	0	-	0	0	-
Other (Please Specify)	-	-	-	-	-	-	-

1 The Company has '**Whistle-Blower Policy**' and a mechanism that allows all stakeholders from community, investor (other than shareholders), employee, workers including customers and value supply chain partner can raise concerns and grievances through '**Whistle-Blower Policy**' by accessing:.

https://www.anupengg.com/wp-content/uploads/2023/02/5-Details-of-establishment-of-vigil-mechanism-Whistle-Blower-policy.pdf.

2 Investors and shareholders have direct access to the Company Secretary and Compliance Officer via a dedicated email ids: investorconnect@anupengg.com.

24 Overview of the entity's material responsible business conduct issues

Below are the material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to us, the rationale for identifying the same, approach to adapt or mitigate the risk along with its financial implications.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Health, Safety & Rights	Risk:	Reputational risk as well as legal risk if we fail to ensure fair labour practices, protection of human rights, health and safety of our employee.	In order to manage health & safety risks, we adhere to best practices as well as get our facility certified according to internationally recognized certifications like ISO 450001. In addition to this, we also provide regular health and safety trainings to all our employees and workers in order to foster a safety culture and create safe working environment.	Negative

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2	Health, Safety & Rights	Opportunity	By addressing the above risks we are securing our social license to operate and representing ourselves as a socially responsible organization.	-	Positive
3	Water Management	Risk:	As a manufacturing company, appropriate handling and disposal of hazardous waste is vital for environmental protection and safety. Inappropriate handling and mismanagement of waste can lead to legal fines and litigations.	There are appropriate waste management processes in place that allows proper collection, segregation and disposal of waste in a safe manner. The Company has collaborated with vendors approved and authorised by the Central Pollution Control Board and State Pollution Control Board for safe disposal of hazardous waste.	Negative
4	Waste Management	Opportunity	As a manufacturing company, the majority of our waste is metal scrap. We can recycle or repurpose this metal scrap to reduce our dependence on virgin materials and conserve resources. This will also help us to improve our environmental reputation and gain positive feedback from stakeholders.	-	Positive
5	Responsible Supply Chain	Risk	Our supply chain consists of both local and global suppliers, with a significant part of our raw materials being supplied by local suppliers.	We have put in practice a necessary due-diligence process before engaging with any supplier or logistics delivery partner for long-term contracts.	Negative
6	Responsible Supply Chain	Opportunity	We focus on building long-term relationships with raw material suppliers having the best practices for sustainability. This will enable us to improve our reputation and gain positive feedback from stakeholders.	-	Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7	Human Capital Management	Opportunity	To continue to deliver quality consistently in the current levels of operations and business it is imperative to continuously train and upgrade the skills of our employees and workers. To develop the skills of our human resource, we provide job specific and personal development trainings. By investing in continuous training and skill development, we can reap a number of benefits, including improved employee performance, increased productivity, and reduced costs.	- -	Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

S. No.	Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes										
1	**a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)**	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
		The policies/ procedures are approved by the Chief Executive office, functional heads and few of them have been adopted by the Board/ Board Committees.								
	c. Web Link of the Policies, if available	Policies are available on the website of the Company i.e., https://www.anupengg.com/policies/. Policies which are internal to the Company are available on the intranet of the Company.								
2	**Whether the entity has translated the policy into procedures. (Yes / No)**	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3	**Do the enlisted policies extend to your value chain partners? (Yes/No)**	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

S. No.	Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes										
4	**Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.**	-	ISO 14001 : 2015	ISO 9001 : 2015 ISO 45001 : 2018 ISO 14001 : 2015	-	-	ISO 14001 : 2015	-	-	IBR-1950 - Laboratory for Physical Testing IBR-1950 - Manufacturing of Heat Exchangers, Pressure Vessels & Boilers
5	**Specific commitments, goals and targets set by the entity with defined timelines, if any.**	Company is in the process of defining an overall ESG strategy with goals and targets on material issues further continuous upgrade and timely renewal of certifications are ensured wherever applicable.								
6	**Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.**	Not applicable.								
Governance, leadership and oversight										
7	**Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)**	Company being a responsible corporate citizen, is fully conscious of its duties towards society. The Company strongly believes that embedding Environmental, Social & Governance (ESG) principles in its business operations and its adherence is essential to building resilience in the business, transforming culture and for long-term value creation of all our stakeholders. Sustainability is at the heart of our business philosophy. Our sustainability strategy considers key sustainability trends and all possible impacts of our business operations on our stakeholders. Furthermore, we consider key opportunities and risks while developing our short-term and long-term strategies. This year marks the beginning of our structured approach towards ESG, through the development of our long-term ESG framework, aligned with international ESG protocols and guidelines. We have identified our key material topics, covering factors pertaining to health and safety, Water Management, Waste Management, corporate governance, ethics, and integrity among others, which will form the basis of management's approach towards business going ahead. We will measure and evaluate our performance against these ESG parameters to create long-term sustainable value for all our stakeholders.								
8	**Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).**	Mr. Abhishek Bansal - Vice President Corporate Sustainability (Group) Mr. Chintankumar Patel - Company Secretary								
9	**Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details.**	No								

10. **Details of Review of NGRBCs by the Company:**

Subject for Review	Indicate whether review was undertaken by Director/Committee of the board/ Any other Committee									Frequency (Annually/Half Yearly/ Quarterly/Any-other please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow-up action	Any other Committee									Any-other - As and when required								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Any other Committee									Any-other - As and when required								

S. No.	Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
11	Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	No external assessment was conducted, However The Company conducts periodic review of the policies internally.								

12. **If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:**

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)	NA								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	NA								
The entity does not have the financial or/human and technical resources available for the task	NA								
It is planned to be done in the next financial year (Yes/No)	NA								
Any other reason (please specify)	NA								

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	1	Key Developments, Sustainability Initiatives, Regulatory updates, Review of Policy & procedures	100
Key Managerial Personnel	1	Key Developments, Sustainability Initiatives, Regulatory updates, Review of Policy & procedures	100
Employees other than BoD and KMPs	4	Various trainings pertaining to health, safety, behavioural, skill upgradation, management, operations, etc.	100
Workers	4	Health & Safety, Skills upgradation and others	100

2. **Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):**

Category	NGRBC Principle	Name of the regulatory / enforcement agencies / judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred (Yes/No)
Penalty/Fine	-	-	0	-	-
Settlement	-	-	0	-	-
Compounding Fee	-	-	0	-	-
Category	**NGRBC Principle**	**Name of the regulatory /enforcement agencies/ judicial institutions**	**Amount (In INR)**	**Brief of the Case**	**Has an appeal been preferred (Yes/No)**
Imprisonment	-	-	0	-	-
Punishment	-	-	0	-	-

3. **Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed:**

Case Details	Name of the regulatory / enforcement agencies / judicial institutions
Not Applicable	Not Applicable

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy:**

Yes, the anti-corruption and anti-bribery are part of the Whistle Blower Policy and the policies can be viewed at: https://www.anupengg.com/wp-content/uploads/2023/02/5-Details-of-establishment-of-vigil-mechanism-Whistle-Blower-policy.pdf.

5. **Number of Directors/KMPs/Employees/Workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

Category	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

6. **Details of complaints with regard to conflict of interest:**

Category	FY 2022-23 (Current Financial Year)		FY 2021-22 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of Directors	0	There are no complaints received in relation to the conflict of interest against Directors and KMPs in the current financial year.	0	There are no complaints received in relation to the conflict of interest against Directors and KMPs in the previous financial year.
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0		0	

7. **Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators / law enforcement agencies / judicial institutions, on cases of corruption and conflicts of interest.**

Not Applicable

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

Category	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	0	0	None
CAPEX	0	0	

2. a. **Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

Yes.

b. **If yes, what percentage of inputs were sourced sustainably?**

We have not calculated this formally.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

Not Applicable. The main products of the company are Heat Exchangers, Pressure Vessels, Towers, Reactors, Column and Centrifuges which are made from various exotic metals. Once the products are sold they would not come back to the company. Hence company is not in a position to reclaim the products Company.

4 **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

No.

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. **a. Details of measures for the well-being of employees:**

Category	% of employees covered by											
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees												
Male	200	200	100	200	100	0	0	200	100	0	0
Female	5	5	100	5	100	5	100	0	0	0	0
Total	**205**	**205**	**100**	**205**	**100**	**5**	**2.5**	**200**	**97.5**	**0**	**0**
Other than Permanent employees												
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Other than Permanent employees											
Male	664	664	100	664	100	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	**664**	**664**	**100**	**664**	**100**	**0**	**0**	**0**	**0**	**0**	**0**

2. **Details of retirement benefits, for Current FY and Previous Financial Year:**

Benefits	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	100	Yes	100	100	Yes
Gratuity	100	100	Yes	100	100	Yes
ESI	100	100	Yes	100	100	Yes
Others – please specify	-	-	-	-	-	-

3. **Accessibility of workplaces**

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any step is being taken by the entity in this regard.

No, we are only compliant for certain disabilities.

For all our new projects, the blueprints will be subjected to an assessment by the relevant authority and it will be compliant according to the Act.

4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

We are committed to ensuring sufficient representation of persons with disabilities in our workforce, in compliance with the provisions of the Rights of Persons with Disabilities Act, 2016. We have an **'Equal Opportunity and Non Discrimination Policy'** that aims at recognizing and providing equal opportunities in employment and creating an inclusive work environment. Web-Link for policy: https://www.anupengg.com/wp-content/uploads/2021/01/Equal-Opportunity-and-Non-Discrimination-Policy.pdf.

5. **Return to work and retention rates of permanent employees and workers that took parental leave.**

	Permanent employees		Permanent workers	
Gender	**Return to work rate**	**Retention rate**	**Return to work rate**	**Retention rate**
Male	100	67	0	0
Female	0	0	0	0
Total	100	67	0	0

6. **Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.**

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent workers	Yes. The company has place Whistle-blower, POSH- (Prevention of Sexual Harassment Act) and Code of Conduct for all categories of permanent employees and workers are available. Dedicated channels for raising such grievances have been put in place and communicated to all the concerned stakeholders.
Other than permanent workers	
Permanent employees	
Other than permanent employees	

7. **Membership of employees and worker in association(s) or Unions recognised by the listed entity:**

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Total employees/ workers in the respective category (A)	No. of employees / workers in the respective category, who are part of the association(s) or Union (B)	% (B / A)	Total employees/ workers in the respective category (C)	No. of employees / workers in the respective category, who are part of the association(s) or Union (D)	% (D / C)
Total Permanent Employees	205	0	0	172	0	0
Male	200	0	0	169	0	0
Female	5	0	0	3	0	0
Total Permanent Workers	0	0	0	0	0	0
Male	0	0	0	0	0	0
Female	0	0	0	0	0	0

8. **Details of training given to employees and workers:**

Category	FY 2022-23 Current Financial Year					FY 2021-22 Current Financial Year				
	Total (A)	On health and safety measures		On skill upgradation		Total (D)	On health and safety measures		On skill upgradation	
		Number (B)	% (B / A)	Number (C)	% (C / A)		Number (E)	% (E / A)	Number (F)	% (F / D)
Employees										
Male	200	200	100	200	100	169	169	100	169	100
Female	5	5	100	5	100	3	3	100	3	100
Total	**205**	**205**	**100**	**205**	**100**	**172**	**172**	**100**	**172**	**100**
Workers										
Male	664	664	100	664	100	615	615	100	615	100
Female	0	0	0	0	0	0	0	0	0	0
Total	**664**	**664**	**100**	**664**	**100**	**615**	**615**	**100**	**615**	**100**

9. Details of performance and career development reviews of employees and workers:

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
	Employees					
Male	200	200	100	169	169	100
Female	5	5	100	3	3	100
Total	**205**	**205**	**100**	**172**	**172**	**100**
	Workers					
Male	664	0	0	615	0	0
Female	0	0	0	0	0	0
Total	**664**	**0**	**0**	**615**	**0**	**0**

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage of such system?

Yes. The Company's Occupational Health and Safety Management System is based on the International Standards for Occupational Health and Safety (ISO 45001:2018) and has been implemented at manufacturing facilities.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Integrated Management System Policy (IMS Policy) aims at ensuring our way forward for excellence and leadership in Health, Safety and Environment protection by continual improvement in our structured Health, Safety and Environment management system.

The goal of Hazard identification is to find and record all possible hazards that may be present at workplace and ensuring mitigation or bringing the risk to as low as reasonably possible or acceptable for all routine processes. For non-routine processes, we have permit to work system which ensures that adequate measures are taken before initiating any non-routine activity tasks.

- Hazard Identification and Risk Assessment (HIRA) registers.
- Procedure for non-conformity and incident investigation.
- On-Site Emergency Plans.
- Procedure for communication, participation and consultation.
- Procedure for monitoring and performance management.
- Procedure for operational control.
- Procedure for Permit to Work.

c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

Yes, we have a process in place and it is included in the Integrated Management System Policy. Additionally, we conduct trainings, mock drills and safety talks for raising awareness of the workers.

d. Do the employees/workers of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes. Apart from medical and healthcare facilities available to the employees / workers on occupational health and safety risks, the employees/ workers have access to non-occupational medical and healthcare services.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	6	7
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

The organization prioritizes employee and worker safety by conducting safety awareness campaigns, delivering internal and external trainings and installing visual controls, signs, and 'Do's and Don'ts'. To inspire trust and increase operational efficiency, the Company has developed its safety practices in accordance with the International Standard for Occupational Health and Safety (ISO 45001).

The emphasis on safety is reinforced throughout the year through events such as National Safety Week. Various awareness events are held on these days, such as fire drills and hands-on practice with firefighting equipment, shop floor quizzes, and Hazard Hunts, among others. The Company has processes in place to identify, mitigate, and eliminate risks, and contingency plans in case of emergencies.

13 Number of complaints on the following made by employees and workers:

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0		0	0	
Health & Safety	0	0		0	0	

14. Assessments for the year:

Category	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions. :

There were no significant risk or concern arising from assessments of health & safety practices and working conditions.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)?

Yes. The Company has covered all the employees under group life insurance in the event of any unfortunate death of the employee.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

We ensure that all statutory dues have been deducted and deposited by our value chain partners in accordance with applicable laws and regulations. The internal audit and tax team overlooks the entire process.

3. **Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

Category	Total no. of affected employees/ workers		No. of employees/workers that have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial
Employees	0	0	0	0
Workers	0	0	0	0

4. **Does the entity provide transition assistance programmes to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No)**

No.

5. **Details on assessment of value chain partners:**

Our employees conduct visits of the suppliers from time to time. However, we have not conducted any assessment directly.

6. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

Not Applicable

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1 **Describe the processes for identifying key stakeholder groups of the entity.**

As a responsible Company, focused on driving growth through the strong foundation of stakeholder relationships, Company believes in listening, connecting, and partnering with its key set of stakeholders to understand their concerns, working with them to minimise risks, improving credibility, and gaining their trust. We consider our key stakeholders to be those who can create considerable business and social impact and are significantly impacted by our business. We identify our stakeholders based on inclusivity and make active efforts to engage with them to understand their key priorities and concerns. We carefully analyse the information received in the form of suggestions, comments, grievances, feedback, and recommendations from these engagements and utilize them to align our strategies with stakeholder's expectations. Successful execution of these strategies paves the way for the creation of sustainable value across stakeholder groups.

2 **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder group	Whether identified as vulnerable and marginalised group (Yes/No)	Channels of communication (email; SMS; newspaper; pamphlets; advertisement; community meetings; notice board; website); other	Frequency of engagement (annually / half yearly / quarterly / other - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investor	No	Quarterly results publication to Stock Exchange, Annual report, Quarterly investor and analyst presentations, Quarterly financial follow-up reports, Quarterly earnings conference call.	Quarterly	Financial performance and business updates

Stakeholder group	Whether identified as vulnerable and marginalised group (Yes/No)	Channels of communication (email; SMS; newspaper; pamphlets; advertisement; community meetings; notice board; website); other	Frequency of engagement (annually / half yearly / quarterly / other - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	Written and Verbal Communication	As and when required	To promote and expand our business by educating our customers about our products, services, and any new initiatives. We also seek to understand their expectations regarding our offerings and ways to enhance them. We fulfil the necessary transactions involved in doing business and conduct a Customer Satisfaction Survey to gauge our customers' satisfaction with our brand.
Employees	No	Written & Verbal Communication (training, Issuing guidelines, meetings, email, SMS, Notice Board, Website, Town hall meeting)	Ongoing	Improving efficiency and productivity by providing regular training programs and increasing awareness of all aspects of the business, including codes and values.
Suppliers and Partners	No	Written and verbal communication (contracts, SOPs, guidelines, training).	As and when required	Clear communication of expectations and obligations between parties. Ensuring that vendors and suppliers comply with laws such as those prohibiting child labour.
Community	Yes	Verbal Communication (community meetings, survey, grievance redressal)	As and when required	To foster community support and promote community development.

PRINCIPLE 5: Businesses should respect and promote human rights

1 **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Total (A)	No. employees workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
	Employees					
Permanent	205	0	0	172	0	0
Other than permanent	0	0	0	0	0	0
Total Employees	**205**	**0**	**0**	**172**	**0**	**0**
	Workers					
Permanent	0	0	0	0	0	0
Other than permanent	664	0	0	615	0	0
Total Employees	**664**	**0**	**0**	**615**	**0**	**0**

2. **Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 2022-23 Current Financial Year					FY 2021-22 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		Number (B)	% (B / A)	Number (C)	% (C / A)		Number (E)	% (E / A)	Number (F)	% (F / D)
Employees										
Permanent										
Male	200	24	11.71	176	88.29	169	11	6.51	158	93.49
Female	5	0	0	5	100	3	0	0	3	100
Other than Permanent										
Male	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0
Workers										
Permanent										
Male	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0
Other than Permanent										
Male	664	664	100	0	0	615	615	100	0	0
Female	0	0	0	0	0	0	0	0	0	0

3. Details of remuneration/salary/wages, in the following format:

Category	Male		Female	
	Number	Median remuneration / salary / wages of respective category	Number	Median remuneration / salary / wages of respective category
Board of Directors (BoD)	6	5,40,000/-	1	6,50,000/-
Key Managerial Personnel (KMP)	3	55,33,821/-	0	-
Employees other than BoD and KMP	200	4,91,515/-	5	5,89,202/-
Workers	664	1,15,440/-	0	0

4 Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes.

5 Describe the internal mechanisms in place to redress grievances related to human rights issues.

Grievance related to human rights impacts or issues are addressed in accordance to the mechanism stipulated in our 'Whistle-Blower Policy'. The policy can be accessed here:

https://www.anupengg.com/wp-content/uploads/2023/02/5-Details-of-establishment-of-vigil-mechanism-Whistle-Blower-policy.pdf.

6 Number of complaints on the following made by employees and workers:

	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual harassment	Nil					
Discrimination at workplace						
Child labour						
Forced labour/Involuntary labour						
Wages						
Other human rights related issues						

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

For handling the complaints of discrimination, harassment or any other complaint under the scope of the Whistle Blower and POSH Policies, the identification of the complainant is kept confidential. Further every internal and external stakeholder has set obligations to follow, to prevent the adverse consequences to the complainant by adhering to the following mechanism (for more details refer to the Whistle Blower and POSH policies:

a. Ensure that the complainant is not victimised for doing so, and is adequately protected against any such incident.

b. Treat victimisation as a serious matter including initiating disciplinary action on such person/(s) that subjects or threatens to subject the other person to any detriment.

c. Ensure complete confidentiality by,

- Maintaining complete confidentiality / secrecy of the matter
- Not discussing the matter in any informal / social gatherings / meetings
- Discussing only to the extent or with the persons required for the purpose of completing the process and investigations
- Not keeping the papers unattended anywhere at any time
- Keeping the electronic mails / files under password

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, as per labour laws.

9 Assessments for the year: FY 2022-23

Category	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100% of our plant and office is assessed internally for any issues related to the parameters.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others - please specify	

10 Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

Not applicable.

Leadership Indicators

1 Details of a business process being modified / introduced as a result of addressing human rights grievances / complaints.

Not applicable. We have not introduced any modifications or new processes to our business operations.

2 Details of the scope and coverage of any human rights due-diligence conducted.

We propose to carry out the assessment in the near future.

3 Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

No, we are compliant for certain disabilities. For all our new projects, the blueprints will be subjected to an audit by the relevant authority and it will be compliant according to the act.

4 Details on assessment of value chain partners:

Category	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	0
Discrimination at workplace	0
Child Labour	0
Forced Labour / Involuntary Labour	0
Wages	0
Others - please specify	0

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Not Applicable.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1 **Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	**FY 2022-23 (Current Financial Year)**	**FY 2021-22 (Previous Financial Year)**
Total electricity consumption (A)	11.5 TJ	10.1 TJ
Total fuel consumption (B)	5.6 TJ	9.4 TJ
Energy consumption through other sources (C)	0	0
Total energy consumption (A+B+C)	17.1 TJ	19.4 TJ
Energy intensity per rupee of turnover (Total energy consumption / turnover in rupees)	4.15 Kilo Joules/INR	6.74 Kilo Joules/INR
Energy intensity (optional) - the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment / evaluation /assurance has been carried out by an external agency.

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

Not applicable, as Company does not fall under PAT scheme of Government of India.

3 **Provide details of the following disclosures related to water, in the following format**

Parameter	**FY 2022-23 (Current Financial Year)**	**FY 2021-22 (Previous Financial Year)**
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	9267.35	9559.35
(iii) Third party water	3072.45	2479.16
(iv) Seawater / desalinated water	0	0
(v) Others - Water from Municipality	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	12339.80	12038.51
Total volume of water consumption (in kilolitres)	12339.80	12038.51
Water intensity per thousand rupee of turnover (Water consumed / turnover)	3.00E-03 kilo litre per thousand rupee of turnover	4.18E-03 kilo litre per thousand rupee of turnover
Water intensity (optional) - the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment / evaluation /assurance has been carried out by an external agency.

4. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

Yes. Company manufacturing unit is equipped with effluent treatment plants (ETPs) and sewage treatment plants (STPs) facilities. The domestic wastewater generated from the toilet and canteen facilities is treated in STPs while the wastewater from operational activity is treated in ETPs. The STP treated water is utilized within the premises for flushing and gardening activities ensuring no discharge of water outside of the premises. Our manufacturing units follow applicable guidelines as given by the regulatory bodies.

5 **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
NOx	Ppm	38.2	37.5
SOx	ppm	0	0
Particulate matter (PM)	mg/Nm3	77	98
Persistent organic pollutants (POP)		0	0
Volatile organic compounds (VOC)		0	0
Hazardous air pollutants (HAP)		0	0
Others – please specify	-	-	-

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment / evaluation / assurance has been carried out by an external agency.

6 **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity, in the following format:**

Parameter	Unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs,SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	514	857
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	1608	1412
Total Scope 1 and Scope 2 emissions per rupee of turnover	MT CO_2 equivalent/rupee of turnover	5.2E-07	7.9E-07
Total Scope 1 and Scope 2 emission intensity (optional) - the relevant metric may be selected by the entity	-	0	0

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment / evaluation /assurance has been carried out by an external agency.

7 **Does the entity have any project related to reducing greenhouse gas emissions? If yes, then provide details.**

No.

8 **Provide details related to waste management by the entity, in the following format**

Parameter	**FY 2022-23 (Current Financial Year)**	**FY 2021-22 (Previous Financial Year)**
Total waste generated (in metric tonnes)		
Plastic waste **(A)**	1.12	0
E-waste **(B)**	0.83	0
Bio-medical waste **(C)**	0	0
Construction and demolition waste **(D)**	0	0
Battery waste **(E)**	0	0
Radioactive waste **(F)**	0.42	0.21
Other Hazardous waste - please specify, if any **(G)** - ETP Sludge	0.30	0
Discarded containers	0.70	0.60
Used Oil	0.50	0.50
Other Non-hazardous waste generated **(H)** - please specify, if any. (Break-up by composition i.e. by materials relevant to the sector) - Hard, Soft and Chindi Waste - Metal Scrap	1450.57	1382.10
Total (A+B + C + D + E + F + G + H)	**1454.44**	**1383.41**

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Parameter	**FY 2022-23 (Current Financial Year)**	**FY 2021-22 (Previous Financial Year)**
Category of waste		
(i) Recycled	1451.99	1382.42
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	**1451.99**	**1382.42**

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

Parameter	**FY 2022-23 (Current Financial Year)**	**FY 2021-22 (Previous Financial Year)**
Category of waste		
(i) Incineration	0	0
(ii) Landfilling	0.3	0
(iii) Other disposal operations	0	0
Total	**0.3**	**0**

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment / evaluation / assurance has been carried out by an external agency.

9 **Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

Company aims at reducing generation of waste during the entire lifecycle of its products. The Company has systems and processes for waste management, segregation, collection, and disposal. The Company practices efficient and environment-friendly end-of-life disposal methods. The waste is disposed through authorised agencies.

10 **If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

We have no operations or offices in or around ecologically sensitive areas.

11 **Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Not applicable. As we did not undertake any projects that necessitated an Environmental Impact Assessment.

12 **Is the entity compliant with the applicable environmental law / regulations / guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and rules thereunder (Y/N). If not, provide details of all such non compliances, in the following format:**

Yes. We have ensured compliance with all relevant laws, regulations, and guidelines.

Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A)	0 TJ	0 TJ
Total fuel consumption (B)	0 TJ	0 TJ
Energy consumption through other sources (C)	0 TJ	0 TJ
Total energy consumed from renewable sources (A+B+C)	0 TJ	0 TJ
From non-renewable sources		
Total electricity consumption (D)	11.5 TJ	10.1 TJ
Total fuel consumption (E)	5.6 TJ	9.4 TJ
Energy consumption through other sources (F)	0 TJ	0 TJ
Total energy consumed from non-renewable sources (D+E+F)	17.1 TJ	19.4 TJ

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, an assurance has been carried out by Intertek for our greenhouse gas emissions. Since energy data is used for GHG inventory, it was also evaluated during the assurance process.

2. Provide the following details related to water discharged:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	0	0
- With treatment - please specify level of treatment	0	0
(ii) To Groundwater		
- No treatment	0	0
- With treatment - please specify level of treatment	0	0
(iii) To Seawater		
- No treatment	0	0
- With treatment - please specify level of treatment	0	0
(iv) Sent to third-parties (Discharge in municipality sewage line)		
- No treatment	0	0
- With treatment - Primary, secondary and tertiary treatments performed before sending it to the municipality sewage line.	0	0
(v) Others		
- No treatment	0	0
- With treatment - please specify level of treatment	0	0
Total water discharged (in kilolitres)	0	0

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment / evaluation / assurance has been carried out by an external agency.

3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area : Ahmedabad

(ii) Nature of operations : Fabrication of metal product

(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	9267.35	9559.35
(iii) Third party water	3072.45	2479.16
(iv) Seawater / desalinated water	0	0
(v) Others (STP treated water)	0	0
Total volume of water withdrawal (in kilolitres)	12339.80	12038.51
Total volume of water consumption (in kilolitres)	12339.80	12038.51
Water intensity per thousand rupee of turnover (Water consumed / turnover)	3.00E-03 kilo litre per thousand rupee of turnover	4.18E-03 kilo litre per thousand rupee of turnover
Water intensity (optional) – the relevant metric may be selected by the entity		

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) Into Groundwater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iii) Into Seawater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) Sent to third-parties		
No treatment	0	0
- With treatment – please specify level of treatment	0	0
(v) Others		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	0	0

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment / evaluation / assurance has been carried out by an external agency

4. Please provide details of total Scope 3 emissions and its intensity, in the following format:

Parameter	Unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	Not known	Not known
Total Scope 3 emissions per rupee of turnover	MT CO_2 equivalent per Rupee of turnover	Not known	Not known
Total Scope 3 emission intensity (optional) - the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment / evaluation / assurance has been carried out by an external agency

5 With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities.

Not applicable.

6 **If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

No such specific initiative taken during the financial year 2022-23.

7 **Does the entity have a business continuity and disaster management plan? Give details in 100 words/web link.**

No.

8 **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?**

Not Applicable

9 **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

No formal assessment conducted.

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1 a. **Number of affiliations with trade and industry chambers / associations.**

We are affiliated with 6 industry chambers / associations, where we often take part in various dialogues across numerous channels of engagement.

b. **List the 10 trade and industry chambers / associations (determined based on the total members of such body) the entity is a member of / affiliated to.**

Sr. No.	Name of the trade and industry chambers /associations	Reach of trade and industry chambers /associations (State / National)
1	Gujarat Chamber of Commerce and Industry	State
2	Federation of Indian Export Organization	National
3	Export Inspection Agency Ahmedabad	State
4	Director General of Foreign Trade	National
5	Process Plant and Machinery Association of India	National
6	The Indian Institute of Welding	National

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

No adverse orders received from the regulatory authorities on any issues related to anti-competitive conduct.

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

1 **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Not Applicable

2 **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity.**

Not applicable

3 **Describe the mechanisms to receive and redress grievances of the community.**

We actively engage with the local community through various interactions and activities through Investor Relations Department, and through the institutions promoted and partnered by us. The receiving and redressing of any grievance by the local community is done in accordance to the Whistle Blower Policy. The community can post any grievance through Helpline portal.

4 **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

Parameter	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Directly sourced from MSMEs / small producers	14%	20%
Sourced directly from within the district and neighbouring districts	52%	47%

Leadership Indicators

1 **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above).**

Not Applicable

2 **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies.**

The CSR projects undertaken by us in localities close to our operating locations, none of which happen to be in aspirational districts.

3 (a) **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised / vulnerable groups? (Yes/No)**

No.

(b) **From which marginalised / vulnerable groups do you procure?**

Not Applicable

(c) **What percentage of total procurement (by value) does it constitute?**

Not Applicable

4 **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

Not Applicable

5 **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Not Applicable

6 **Details of beneficiaries of CSR Projects**

For details refer to Annexure-B to Director's Report 2022-23 (CSR Report).

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

1 **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

Consumer complaints and feedback can be received through Arvind's Ethics Helpline Portal, or through consumer court. The complaints received through Ethics Helpline Portal are responded as per the Whistle Blower Policy whereas for consumer court related complaints, they are handled as per regulatory norms.

2 **Turnover of products and/or services as a percentage of turnover from all products/service that carry information about:**

	As a percentage of total turnover
Environmental and social parameters relevant to the product	The main products of the company are Heat Exchangers, Pressure Vessels, Towers, Reactors, Column and Centrifuges which are made from various exotic metals. Hence Not Applicable.
Safe and responsible usage	100
Recycling and/or safe disposal	The main products of the company are Heat Exchangers, Pressure Vessels, Towers, Reactors, Column and Centrifuges which are made from various exotic metals. Once the products are sold they would not come back to the company. Hence not applicable

3. **Number of consumer complaints in respect of the following:**

	FY 2022-23 (Current Financial Year)		Remarks	FY 2021-22 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	NA	0	0	NA
Advertising	0	0	NA	0	0	NA
Cyber-security	0	0	NA	0	0	NA
Delivery of essential services	0	0	NA	0	0	NA
Restrictive Trade Practices	0	0	NA	0	0	NA
Unfair Trade Practices	0	0	NA	0	0	NA
Other	0	0	NA	0	0	NA

4. **Details of instances of product recalls on account of safety issues:**

Nil

5 **Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

Yes, Company has an Information Security and Data Privacy Policy. The purpose of this policy is to state the organisation's directive towards data confidentiality and to ensure adequate safeguards to prevent misuse or loss of information. Company has taken adequate precautions for the protection of data and has ensured that information related to its employees is secure. Appropriate controls are in place to prevent unauthorised disclosure or modification.

Under this policy, Cybersecurity Grievance Team has set a mechanism to handle such incidents once they are reported to the team. The policy also includes details of various security incidents that needs to be reported, and also has a Cybersecurity Incident Response Plan. The Response Plan has four major components which include: Preparation, Detection and Analysis, Response and Remediation, and Recovery.

6 **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

No such incident related to the mentioned topics has been reported.

Leadership Indicators

1 **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

The information can be accessed through our website, the link is https://www.anupengg.com/products-services/.

2 **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

Not applicable.

3 **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

Yes, as part of our ERP system, contact details such as email addresses and phone numbers are maintained. We can use this information to intimate them about any risk of disruption or discontinuation of services.

4 **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

Yes. Company displays product information on the product label as mandated by law. All products carry details with regards to the safe handling and usage. Moreover, on product packaging, the Company engraves markings relevant to 'recycling, fragile, umbrella, etc.'

5 **Provide the following information relating to data breaches:**

a. Number of instances of data breaches along with impact - Nil

b. Percentage of data breaches involving personally identifiable information of customers - Nil

Corporate Governance Report

Pursuant to Regulation 34(3) read with Section C of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 **("SEBI Listing Regulations")**, as amended, a Report on Corporate Governance for the financial year ended 31st March 2023, is presented below:

1 COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate governance at The Anup Engineering Limited ("The Company") is a value-based framework to manage our Company affairs in a fair and transparent manner. As a responsible corporate citizen, we use this framework to maintain accountability in all our affairs and employ democratic and open processes. We are adopting applicable guidelines and best practices to ensure timely and accurate disclosure of information regarding our financials, performance and governance of the Company.

Our corporate governance philosophy is based on the following principles:

- Satisfy the spirit of the law and not just the letter of the law. Corporate Governance standards should go beyond the law.
- Be transparent and maintain a high degree of disclosure levels.
- Make a clear distinction between personal conveniences and corporate resources.
- Communicate externally, in a truthful manner, about how is the Company running internally.
- Have a simple and transparent corporate structure driven solely by business needs.
- The Management is the trustee of the shareholders' capital and not the owner.

The Board of Directors ('the Board') is at the core of our corporate governance practice and oversees how the Management serves and protects the long-term interests of all our stakeholders. We believe that an active, well-informed and independent Board is necessary to ensure the highest standards of Corporate Governance. The Company has optimum combination of executive and non-executive director's including Independent Directors with at least one woman director.

2 BOARD OF DIRECTORS

2.1 Composition of the Board:

The Company has an optimum mix of Non-Executive and Independent Directors including Woman Director. All the members of the Board are competent and are persons of repute with strength of character, professional eminence, having the expertise in their respective disciplines to deal with the management functions of the company.

The composition of Board of directors of the company is in consonance with the requirements of The Companies Act, 2013 ("Act") and Regulation 17 of the SEBI Listing Regulations. As at 31st March 2023 the Board of Directors comprises of 6 (Six) Directors out of which 3 (Three) Non- Executive, Non-Independent Directors including Chairman and 3 (Three) Non-Executive, Independent Directors.

The composition of the Board of Directors as at 31st March 2023:

Sr. No.	Name of Director	Executive/Non-Executive /Independent	*No. of Directorship in other Indian Public Limited Companies (Including the Company)	**Committee(s) position (Including the Company)	
				Member	Chairman
1	Mr. Sanjay S. Lalbhai	Chairman and Non-Executive Director	4	2	1
2	Mr. Punit S. Lalbhai	Vice Chairman and Non-Executive Director	6	1	1
3	Mr. Samvegbhai Lalbhai	Non-Executive Director	3	0	0
4	Mr. Arpit Patel	Independent Director	2	3	2
5	Mr. Ganpatraj Chowdhary	Independent Director	3	4	0
6	Ms. Reena Bhagwati	Independent Director	4	5	0

Note:

**For the purpose of considering the limit of the number of directorship Private Limited Companies, Foreign Companies and Companies under Section 8 of the Act are excluded which is in line with the requirement of the SEBI Listing Regulation.*

*** For the purpose of determination of position in committees only chairmanship / membership of the Audit Committee and the Stakeholders' Relationship Committee have been considered as per Regulation 26 of the SEBI Listing Regulations.*

2.2 Name of other listed entities where Directors of the company are Directors and the category of Directorship:

Sr. No	Name of Director	Name of listed entities in which the concerned Director is a Director	Category of directorship
1	Mr. Sanjay S. Lalbhai	Arvind Limited	Chairman & Managing Director
		Arvind Fashions Limited	Chairman & Non-Executive Director
		Arvind SmartSpaces Limited	Chairman & Non-Executive Director
2	Mr. Punit S. Lalbhai	Arvind Limited	Vice Chairman & Whole-time Director
		Arvind Fashions Limited	Non-Executive Director
		Deepak Nitrite Limited	Independent Director
3	Mr. Samvegbhai Lalbhai	Atul Limited	Managing Director
		Bengal Tea & Fabrics Limited	Non-Executive Director
4	Mr. Arpit Patel	Arvind Limited	Independent Director
5	Mr. Ganpatraj Chowdhary	Riddhi Siddhi GlucoBiols Limited	Chairman & Managing Director
		Shree Rama Newsprint Limited	Chairman & Non-Executive Director
6	Ms. Reena Bhagwati	Bhagwati Autocast Limited	Jt. Managing Director
		Symphony Limited	Independent Director
		Eimco Elecon (India) Limited	Independent Director

2.3 Brief Profile of Directors:

The Board of Directors comprises of highly renowned professionals of diverse fields. They bring with them a wide range of skills and experience to the Board, which enhances the quality of the Board's decision-making process.

The brief profile of the Company's Board of Directors is as under:

Mr. Sanjay S. Lalbhai – Chairman and Non-Executive Director (DIN - 00008329)

Mr. Sanjay S. Lalbhai is a Chairman & Non-Executive Director of the company. Mr. Sanjay S. Lalbhai is also the Chairman and Managing Director of Arvind Limited. Over last four decades he has led the transformation of Arvind from a traditional textile mill into one of the world's leading manufacturers of denims, fine woven fabrics and apparel solutions. He laid the foundations for the branded apparel business by bringing India's initial brands – Flying Machine and Arrow and opening exclusive brand outlets. He is the president of Ahmedabad Education Society, Ahmedabad University and CEPT University and the Chairman of Council of Administration of Ahmedabad Textile Industry Research Association (ATIRA).

Mr. Lalbhai believes that addressing societal concerns and creating long lasting benefit to society is integral to the business strategy and a duty of every business leader. He provides strategic leadership SHARDA Trust, the CSR arm of Arvind. Mr. Lalbhai is an MBA from Jamnalal Bajaj Institute.

Mr. Punit S. Lalbhai – Vice Chairman and Non-Executive Director (DIN - 05125502)

Mr. Punit S. Lalbhai is the Vice Chairman and Non- Executive Director of the company. He is also the Vice Chairman and Executive Director at Arvind Limited. He is responsible for the Group's Textile, Engineering, Technical Textile and Environmental businesses.

He has driven the company's entry and growth in technical textiles and advanced materials, which has become Arvind's fastest growing segment. Arvind is now globally recognized for its Human Protection Garments, Industrial Fabrics, and Glass & Carbon Composite Products. Punit has also been involved with the growth of Anup Engineering a capital goods manufacturing company and that of Arvind Envisol an up-and-coming waste-water treatment company. He also serves as the Chairman of the CII committee on Technical Textiles and is a governing council of ATIRA.

He has overseen the transformation of Arvind into becoming one of the world's most environmentally sustainable textile companies. Through these efforts, Arvind has achieved 100% water circularity and neutrality for its textile manufacturing and has almost reached 50% usage of renewable energy. It has pioneered the growing of sustainable cotton and currently partners with 100000 farmers. He has served on several international boards that drive thought leadership in environmental sustainability. He was part of the inaugural board of the Sustainable Apparel Coalition, serves on the board of the Organic Cotton Accelerator, and is the current Chair of the Apparel Impact Institute.

He is passionate about higher education. He is active in the Ahmedabad Education Society and is on the board for both Ahmedabad University and CEPT University. Punit is also deeply involved with Arvind's Gyanada program which works to provide better education and opportunities to Ahmedabad's Municipal School children in collaboration with the School Board.

He received his bachelors degree in Conservation Biology from University of California, Davis, and his Masters in Environmental Science from Yale University. He also has an MBA from INSEAD, France.

He has been a Heartfulness Meditation practitioner since 1998 and a trainer of the system since 2012.

Mr. Samvegbhai Lalbhai – Non-Executive Director (DIN - 00009278)

Mr. Samvegbhai Lalbhai is the Non-Executive Director of the Company. He holds a Bachelor's degree in Commerce from Gujarat University. He is actively associated with Ahmedabad Textile Mills Association, Ahmedabad Textile Industry's Research Association, Gujarat Chamber of Commerce and Industry, Federation of Indian Chamber of Commerce and Industry and Indian Cotton Mills Federation. He is also associated with some of the social institutions established by Lalbhai Group.

Mr. Arpit Patel - Non-Executive Independent Director (DIN - 00059914)

Mr. Arpit Patel is an independent Director of the Company. He is a senior Chartered Accountant with broad experience in handling assignments ranging from statutory audit to corporate advisory involving interplay of various laws. He has contributed as a Partner at M/s. Kantilal Patel & Co. and M/s. S. R. Batliboi & Co. LLP (a member firm of EY Global). At present, he is a Partner at M/s. Arpit Patel & Associates, Chartered Accountants. He has been appointed as a Technical Reviewer of Financial Statements by ICAI, empanelled as a Technical Reviewer with the Quality Review Board established by the Government of India under the Chartered Accountants Act, 1949 and has authored various books in his field.

Mr. Ganpatraj Chowdhary - Non-Executive Independent Director (DIN - 00344816)

Mr. Ganpatraj Chowdhary is an independent Director of the Company. Mr. Ganpatraj Chowdhary, 60 years, hails from Gadh Siwana, Barmer District, Rajasthan, and is a Commerce Graduate from University of Madras, Chennai. He is the Chairman and Managing Director of Riddhi Siddhi Gluco Biols Limited (RSGBL). RSGBL & its Group Companies are engaged in several verticals of business viz. Starch & Allied Chemicals, Newsprint, Writing & Printing Paper, Renewable Energy, Real Estate and Education, with a combined turnover of over ₹ 1500 Crores. During his tenure, he had taken over a few sick units and turned it around successfully in a shortest possible time.

He successfully partnered with "Roquette Freres Limited" of France, a Euro 4 Billion Company & the 3rd largest in the world in the Starch & Derivative Industry and set up a most modern "Corn Processing Complex" in the State of Uttrakhand, India and later hived off the Starch Business of Riddhi Siddhi Gluco Biols Limited to in 2012 to Roquette Freres.

Mr. Ganpatraj Chowdhary is/has been associated with various organizations / associations as follows:

a) Chairman & Privileged Donor of JITO Shraman Arogyam for the welfare and care of Jain Sadhu Bhagwants.

b) President of Rajasthan Sewa Samiti at Ahmedabad.

c) Vice President of Jito Administrative Training Foundation (JATF).

d) Member of the Governing Council of Ahmedabad Management Association, Ahmedabad.

e) Trustee of Yuva Unstoppable, an NGO, involved with Municipality Schools in India to improve its amenities.

f) Associated with Gujarat Chamber of Commerce, Ahmedabad.

g) Ex-Director of Jain International Trade Organisation (Apex), Mumbai

h) Ex-President, Jain International Trade Organisation, Ahmedabad Chapter.

i) Held the position of President of Lions Club of Karnavatii

j) Held the position of Executive Committee Member in Confederation of Indian Industry's Gujarat State Governing Council during 2012-13

Awards Received:

Mr. Ganpatraj Chowdhary is in receipt of the following Awards:

- Appreciation Award by Rajasthan Hospital for social services
- Outstanding President Award by Lions Club
- Yuva Unstoppable Icon Award 2010 presented by Dr. Abdul Kalam, ex-President.

  Awarded with "AMA – Atlas Dyechem Outstanding Entrepreneur Award 2011" by the Ahmedabad Management Association.

Ms. Reena Bhagwati - Non-Executive Independent Director (DIN - 00096280)

Ms. Reena Bhagwati is an independent Director of the Company. She holds directorship in the engineering companies of the Bhagwati Group - Bhagwati Spherocast Private Limited, Bhagwati Autocast Limited and Bhagwati Filters Private Limited. She has an MBA from Carnegie Mellon University, USA.

She has spearheaded the Bhagwati Group by providing strategic, fiscal and operational leadership. Under her able leadership the companies have made remarkable and constant progress. Apart from her business interests, she runs her own NGO and is also deeply involved in various philanthropic activities.

She has held various professional positions and has served as the President of the Institute of Indian Foundry men (IIF) during 2013-14, Chairperson of the Confederation of Indian Industries (CII) Gujarat State Council during 2016-17, Gujarat State Representative in (CII) Western Regional Council for 2022-23 and is continuing Gujarat State Representative in CII Western Regional Council.

She holds directorship in various listed companies namely Symphony Limited and Eimco Elecon (India) Limited.

2.4 The Board has identified the following skills/expertise/competencies with reference to its business for the effective functioning of the Company and which are currently available with the Board:

In terms of the requirement of the SEBI Listing Regulation, the Board has identified the following skills/expertise/competencies fundamental for the effective functioning of the Company, which are currently available with the Board:

Business Experience	Domain Knowledge in Business and understanding of Established leadership skills in strategic planning, succession planning, driving change and long- term growth and guiding the Company towards its vision, mission and values. Critically analysing complex and detailed information and developing innovative solutions and striking a balance between agility and consistency
Financial Experience and Risk Oversight	The Company uses various financial metrics to measure its performance. Accurate Financial Reporting and Robust Auditing are critical to its success. The Company expects its Directors :- 1. To have an understanding of Finance and Financial Reporting Processes; 2.To understand and oversee various risks facing the Company and ensure that appropriate policies and procedures are in place to effectively manage risk.
Governance & Compliance	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values.
Technology and Innovation	An appreciation of emerging trends in product design and development, research, disruptions in technology and in business models.

Sr. No.	Name of Director	Skills/Expertise/Competencies
1	Mr. Sanjaybhai S. Lalbhai	Business Experience Financial Experience and Risk Oversight Governance & Compliance Technology and Innovation
2	Mr. Punit S. Lalbhai	Business Experience Financial Experience and Risk Oversight Governance & Compliance Technology and Innovation
3	Mr. Samvegbhai Lalbhai	Business Experience Financial Experience and Risk Oversight Governance & Compliance
4	Mr. Arpit Patel	Financial Experience and Risk Oversight Governance & Compliance
5	Mr. Ganpatraj Chowdhary	Business Experience Governance & Compliance
6	Ms. Reena Bhagwati	Business Experience Governance & Compliance Technology and Innovation

2.5 Agenda of the Board and committee Meetings:

The annual calendar of Board and Committee Meetings is agreed upon at the beginning of each year. Meetings are governed by a structured Agenda and a Board member may bring up any matter for consideration of the meeting in consultation with the Chairman. Agenda papers are generally circulated to the Board members at least 7 working days in advance. In addition, for any business exigencies the resolutions are passed by circulation and are placed at the subsequent Board or Committee Meeting for ratification/approval. Detailed presentations are made at the meetings on all major issues to enable the Board to take informed decisions.

Invitees & Proceedings:

Apart from the Board members, Chief Executive Officer (CEO), Chief Financial Officer (CFO) and Company Secretary also attend the Board Meetings. Other senior management executives are called as and when necessary, to provide additional inputs for the items being discussed by the Board. Both CEO and CFO make presentation on the financial and operational performance of the Company quarterly and annually. They also present annual financial and operational budget.

Head of Internal Audit department, representatives of the Statutory Auditors are the permanent invitees of the Audit Committee meetings to discuss the areas of internal audit as well as highlights of the financial performance of the Company.

Support and Role of Company Secretary:

The Company Secretary is responsible for convening the Board and Committee meetings, preparation and distribution of Agenda and other documents and recording of the Minutes of the meetings. He acts as interface between the Board and the Management and provides required assistance to the Board and the Management.

2.6 Attendance of each Director at the meeting of the Board of Directors and the Last Annual General Meeting:

During the financial year 2022-23, 6 (Six) Board Meetings were held on 17th May 2022, 8th August 2022, 8th October 2022, 17th October 2022, 29th December 2022 and 13th January 2023. The gap between two Board Meetings was within the maximum time gap prescribed in the Act and the SEBI Listing Regulations. The attendance of each Director at these Board Meetings and last Annual General Meeting was as under:-

Sr. No	Name of Director	Attendance in the Board meetings		Attendance at AGM held on 8th August 2022
		Held	Present	
1	Mr. Sanjay S. Lalbhai	6	4	No
2	Mr. Punit S. Lalbhai	6	6	Yes
3	Mr. Samvegbhai Lalbhai	6	4	Yes
4	Mr. Arpit Patel	6	6	Yes
5	Mr. Ganpatraj Chowdhary	6	2	Yes
6	Ms. Reena Bhagwati	6	6	Yes

2.7 Separate Meeting of Independent Directors:

Independent Directors play an important role in the governance processes of the Board. They bring their expertise and experience on the deliberations of the Board. This enriches the decision-making process at the Board with different points of view and experiences and prevents conflict of interest in the decision-making process.

None of the Independent Directors serves as "Independent Directors" in more than seven listed companies. No person has been appointed or continuing as an Alternate Director for an Independent Director of the Company.

Based on the disclosures received from all the Independent Directors and also in the opinion of the Board, the Independent Directors fulfills the conditions specified in the Act and the SEBI Listing Regulation and are independent of the management.

Schedule IV to the Act, inter alia, prescribes that the Independent Directors of the Company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of management.

During the year, one meeting of independent directors was held on 13th January 2023 to review

- The performance of the Non-Independent Directors.
- The performance of the Board of the Company as a whole.
- The performance of Chairman of the Company taking in to account the views of the Non-Executive Directors on the same.
- To assess the quality, quantity and timeliness of flow of information between the Company Management and the Board.

2.8 Disclosure of relationships between the Directors inter-se:

Except Mr. Sanjay S. Lalbhai, Chairman and Non-Executive Director and his son Mr. Punit S. Lalbhai, Vice Chairman and Non-Executive Director there is no relationship between the Directors inter-se.

2.9 Number of shares and convertible instruments held by Non-Executive Directors:

Name of Director	No. of Equity Shares held	Name of Director	No. of Equity Shares held
Mr. Sanjay S. Lalbhai	1456	Mr. Arpit Patel	-
Mr. Punit S. Lalbhai	137	Mr. Ganpatraj Chowdhary	-
Mr. Samvegbhai Lalbhai	1344	Ms. Reena Bhagwati	34000

During the year under review, none of the Non-Executive Directors hold any convertible instruments of the Company.

2.10 Familiarisation programmes imparted to Independent Directors:

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 familiarize with the Company's procedures and practices. The Company has through presentations at regular intervals, familiarized and updated the Independent Directors with the strategy, operations and functions of the Company and Engineering Industry as a whole. The details of such familiarization programmes for Independent Directors are available on the website of the Company at: https://www.anupengg.com/wp-content/uploads/2023/04/9-Details-of-familiarization-programmes-imparted-to-independent-directors.pdf.

2.11 Code of Conduct for Directors and Senior Management Personnel:

In terms of Regulation 17 of the Listing Regulations and Section 149 of the Act, the Board of Directors of the Company has laid down a Code of Conduct for all Board Members and Senior Management Personnel of the Company. The said Code of Conduct has been posted on the website of the Company. The Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code. The Chief Executive Officer of the Company has given a declaration to the Company that all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code.

2.12 Code of Conduct for Prohibition of Insider Trading:

In terms of the SEBI Listing Regulations as amended from time to time, the Company has formulated and adopted a Code of Conduct for Prohibition of Insider Trading, Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Policy on procedures to be followed while conducting an inquiry in the event of leak or suspected leak of Unpublished Price Sensitive Information.

Chief Financial Officer is responsible for implementation of the Code.

All Directors, designated employees/persons and connected persons have affirmed compliance with the code.

2.13 Committees of the Board:

With a view to have a more focused attention on business and for better governance and accountability, the Board has constituted the following 6 (Six) Committees viz:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Corporate Social Responsibility Committee
- Risk Management Committee
- Management Committee

The terms and reference to these Committees are determined by the Board and their relevance reviewed from time to time. Each of these Committees has been mandated to operate within a given framework. Minutes of the meetings of each of these Committees are tabled regularly at the Board Meetings for their perusal and noting.

3 AUDIT COMMITTEE

The Board of Directors of the Company has constituted the Audit Committee in compliance with the provisions of Section 177 of the Act and Regulation 18 of the SEBI Listing Regulations. The Committee members are having requisite experience in the fields of Finance, Accounts and Management. The Chief Executive Officer, Chief Financial Officer, Internal Auditor and representatives of Statutory Auditors are the permanent invitees at the Audit Committee meetings and the Company Secretary acts as the Secretary of the Audit Committee. All the recommendations of the Audit Committee have been accepted by the Board of Directors.

3.1 The principal terms of reference of the Audit Committee, as approved by the Board and as updated from time to time by the Board, are as under:

(1) oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

(2) recommendation for appointment, remuneration and terms of appointment of auditors of the company;

(3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;

(4) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

  (a) matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Act;

  (b) changes, if any, in accounting policies and practices and reasons for the same;

  (c) major accounting entries involving estimates based on the exercise of judgment by management;

  (d) significant adjustments made in the financial statements arising out of audit findings;

  (e) compliance with listing and other legal requirements relating to financial statements;

  (f) disclosure of any related party transactions;

  (g) modified opinion / Qualification in the draft audit report.

(5) reviewing, with the management, the quarterly financial statements before submission to the board for approval;

(6) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement and making appropriate recommendations to the board to take up steps in this matter;

(7) reviewing and monitoring the auditor's independence, performance and effectiveness of audit process;

(8) Formulating a policy on related party transactions, which shall include materiality of related party transactions;

(9) approval or any subsequent modification of transactions of the listed entity with related parties;

(10) scrutiny of inter-corporate loans and investments;

(11) valuation of undertakings or assets of the company, wherever it is necessary;

(12) evaluation of internal financial controls and risk management systems;

(13) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(14) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(15) discussion with internal auditors of any significant findings and follow up there on;

(16) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

(17) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

(18) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(19) to review the functioning of the whistle blower mechanism;

(20) approval of appointment of Chief Financial Officer (i.e. the whole time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

(21) reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;

(22) to review the compliance with the provisions of Regulation 9A of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and to verify that the systems for internal control are adequate and are operating effectively;

(23) To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;

(24) to carry out any other function as is mentioned in the terms of reference of the Audit Committee.

Audit Committee shall mandatorily review the following information:

(1) management discussion and analysis of financial condition and results of operations;

(2) management letters / letters of internal control weaknesses issued by the statutory auditors;

(3) internal audit reports relating to internal control weaknesses; and

(4) the appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the audit committee;

(5) statement of deviations:

(a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations;

(b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations.

In addition to the above, the Audit Committee discharges all such other duties and functions generally indicated under the SEBI Listing Regulations, the Companies Act, 2013 and the Rules made thereunder.

3.2 Composition of Audit Committee, number of Meetings held and participation at the Meetings during the year:

During the year, 5 (Five) Audit Committee Meetings were held on 17th May 2022, 8th August 2022, 17th October 2022, 29th December 2022 and 13th January 2023. The Attendance of Members at meetings was as under:

Sr. No.	Name of Committee members	Category	Position	Number of Meetings held	Number of Meetings attended
1	Mr. Arpit Patel	Independent Director	Chairman	5	5
2	Mr. Ganpatraj Chowdhary	Independent Director	Member	5	1
3	Ms. Reena Bhagwati	Independent Director	Member	5	5

4 NOMINATION AND REMUNERATION COMMITTEE

The Board of Directors of the Company has constituted the Nomination and Remuneration Committee in compliance with the provisions of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations.

4.1 Terms of reference of the committee inter alia, include the following:

(1) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

(1A) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

a. use the services of an external agencies, if required;

b. consider candidates from a wide range of backgrounds, having due regard to diversity; and

c. consider the time commitments of the candidates.

(2) formulation of criteria for evaluation of performance of independent directors and the board of directors;

(3) devising a policy on diversity of board of directors;

(4) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal;

(5) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

(6) recommend to the board, all remuneration, in whatever form, payable to senior management;

(7) to administer and supervise Employee Stock Options Schemes (ESOS) including framing of policies related to ESOS and reviewing grant of ESOS;

(8) To review HR Policies and Initiatives;

(9) Carrying out any other function as is mentioned in the terms of reference of the Nomination and Remuneration Committee.

In addition to the above, Nomination and Remuneration Committee discharges such duties and functions generally indicated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Companies Act, 2013 and Rules made thereunder.

4.2 Composition of Nomination and Remuneration Committee, number of Meetings held and participation at the Meetings during the year:

During the year, 1 (One) Nomination and Remuneration Committee meeting was held on 8th October 2022. The Attendance of Members at meetings were as under:

Sr. No.	Name of Committee members	Designation	Position	Number of Meetings held	Number of Meetings attended
1	Mr. Arpit Patel	Independent Director	Chairman	1	1
2	Mr. Punit S. Lalbhai	Non-Executive Director	Member	1	1
3	Mr. Ganpatraj Chowdhary	Independent Director	Member	1	-

4.3 Evaluation of the Board's Performance:

During the year, the Board adopted a formal mechanism for evaluating its performance as well as that of its Committees and individual Directors. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board and committees, experience and competencies, performance of specific duties and obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors including the Board Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgement, safeguarding of minority shareholders interest etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

4.4 Remuneration of Directors:

Remuneration of Executive Directors is recommended by the Nomination and Remuneration Committee and approved by the Board of Directors and the Shareholders of the Company.

At present entire board of company comprised of all Non-Executive directors and the remuneration of Non-Executive Directors is determined by the Board and is also approved by the Shareholders. The remuneration paid to the Non-Executive Directors by way of Sitting Fees of ₹ 10,000/- for every meeting of Board of Directors or Committee attended by them. In addition to the afore-mentioned remuneration being paid by way of sitting fees, Commission was also paid to the Non- Executive Directors.

The details of sitting fees and commission paid to Non-Executive Directors for the FY 2022-23 are as under:

Sr. No.	Name of Directors	Commission (Amount in ₹)	Sitting Fees (Amount in ₹)
1	Mr. Sanjay S. Lalbhai	3,00,000	40,000
2	Mr. Punit S. Lalbhai	4,00,000	1,30,000
3	Mr. Samvegbhai Lalbhai	3,00,000	40,000
4	Mr. Arpit Patel	7,00,000	1,60,000
5	Mr. Ganpatraj Chowdhary	5,00,000	50,000
6	Ms. Reena Bhagwati	5,00,000	1,50,000

4.5 Stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable:

The details of stock options granted to the eligible employees under The Anup Engineering Limited - Employee Stock Option Scheme - 2018 ("TAEL ESOS - 2018"), The Anup Engineering Limited - Employee Stock Option Scheme (Demerger) - 2018 ("TAEL ESOS (Demerger) - 2018") and ANUP - Employee Stock Option Scheme - 2019 ("ANUP ESOS 2019") are provided in the Director's Report of the Company. Please refer point No. 8 - Employee Stock Option Scheme in Directors' Report.

None of the Directors of the company / Key managerial Personnel had any pecuniary relationship with the Company during the year.

The Company has disclosed the criteria of making payment to Non-Executive Directors and the same is available on the website of the Company at https://www.anupengg.com/wp-content/uploads/2023/02/6-Criteria-of-making-payments-to-non-executive-directors.pdf..

5 STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Board of Directors of the Company has constituted the Stakeholders' Relationship Committee in compliance with the provisions of Section 178(5) of the Act and Regulation 20 of the SEBI Listing Regulations.

5.1 Terms of reference of the Committee inter alia, include the following:

(1) resolving the grievances of the security holders of the company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, dematerialization / rematerialization of Shares and debentures, general meetings etc;

(2) review of measures taken for effective exercise of voting rights by shareholders;

(3) review of adherence to the service standards adopted by the company in respect of various services being rendered by the Registrar and Share Transfer Agent;

(4) review of the various measures and initiatives taken by the company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company;

(5) to look into the reasons for any defaults in the payment to the Depositors, Debenture holders, Shareholders (in case of non-payment of declared dividends) and Creditors;

(6) carrying out any other function as is mentioned in the terms of reference of the Stakeholder's Relationship Committee.

5.2 Composition of Committee, number of Meetings held and participation at the Meetings during the year:

During the year, 1 (One) meeting was held on 8th August 2022. The Attendance of Members at meetings was as under:

Sr. No.	Name of Committee members	Designation	Position	Number of Meetings held	Number of Meetings attended
1	Mr. Punit S. Lalbhai	Non-Executive Director	Chairman	1	1
2	Mr. Arpit Patel	Independent Director	Member	1	1
3	Mr. Ganpatraj Chowdhary	Independent Director	Member	1	-

5.3 Name and designation of Compliance Officer

Name and contact detail of Compliance Officer:	Mr. Chintankumar Patel Company Secretary and Compliance officer Tel: 079-4025 8937
Email Id for correspondence:	investorconnect@anupengg.com
Registered Office:	Behind 66 KV Elec. Sub Station Odhav Road, Ahmedabad -382415

5.4 Details of Complaints / Queries received and redressed during 1st April 2022 to 31st March 2023:

Number of shareholders' complaints pending at the beginning of the year	Number of shareholders' complaints received during the year	Number of shareholders' complaints redressed during the year	Number of shareholders' complaints pending at the end of the year
Nil	05	05	Nil

6 CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Board of Directors of the Company has constituted the Corporate Social Responsibility Committee in compliance with the provisions of Section 135 read with Schedule VII of the Act.

6.1 Terms of reference of the Committee:

(1) formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII to the Act;

(2) to finalise a list of CSR projects or programs or initiatives proposed to be undertaken periodically including the modalities for their execution / implementation schedules and to review the same from time to time in accordance with requirements of section 135 of the Act;

(3) recommend the amount of expenditure to be incurred on the activities referred to in clause (a);

(4) monitor the Corporate Social Responsibility Policy of the company from time to time;

(5) review the CSR report and other disclosures on CSR matters for the approval of the Board for their inclusion in the Board report.

6.2 Composition of Committee, number of Meetings held and participation at the Meetings during the year:

During the year, the meeting of Corporate Social Responsibility Committee was held on two times on 17th May 2022 and 8th August 2022.

Sr. No.	Name of Committee members	Designation	Position	Number of Meetings held	Number of Meetings attended
1	Mr. Punit S. Lalbhai	Non-Executive Director	Chairman	2	2
2	Mr. Arpit Patel	Independent Director	Member	2	2
3	Mr. Ganpatraj Chowdhary	Independent Director	Member	2	-

7 RISK MANAGEMENT COMMITTEE

The Board of Directors of the Company has constituted the Risk Management Committee in compliance with the provisions of Regulation 21 of the SEBI Listing Regulations. As on 31st March 2023, Risk Management Committee of the Company comprised of three members viz. Mr. Punit S. Lalbhai, Ms. Reena Bhagwati and Mr. Reginaldo Dsouza. Mr. Punit S. Lalbhai, Non-Executive Director, acts as Chairman of the Committee.

7.1 Terms of reference of the Committee:

(1) To formulate a detailed risk management policy which shall include:

(a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee;

(b) Measures for risk mitigation including systems and processes for internal control of identified risks;

(c) Business continuity plan.

(2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

(5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

(6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;

(7) The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors.

7.2 Composition of Committee, number of Meetings held and participation at the Meetings during the year:

During the year, the meeting of Risk Management Committee was held on three times on 17th May 2022 and 8th October 2022 and 22nd March 2023.

Sr. No.	Name of Committee members	Designation	Position	Number of Meetings held	Number of Meetings attended
1	Mr. Punit S. Lalbhai	Non-Executive Director	Chairman	3	3
2	Ms. Reena Bhagwati	Independent Director	Member	3	3
3	*Mr. Rishi Roop Kapoor	Chief Executive Officer	Member	1	1
4	**Mr. Reginaldo Dsouza	Chief Executive Officer	Member	2	2

* Resigned as on 8th October 2022 ** Appointed as on 8th October 2022.

8 MANAGEMENT COMMITTEE

The Board of Directors of the Company has constituted the Management Committee of the Board of Directors. The committee comprises of 2 Non-Executive Directors.

8.1 Role:

The Management Committee's primary role is to look after the day-to-day business activities of the Company within Board approved direction/ framework. The Committee meets frequently, as and when need arises, to transact matters within the purview of its terms of reference.

8.2 Composition of Management Committee, number of Meetings held and participation at the Meetings during the year:

During the year, 6 (Six) Management Committee Meetings were held on various dates.

Sr. No.	Name of Committee members	Designation	Position	Number of Meetings held	Number of Meetings attended
1	Mr. Sanjay S. Lalbhai	Non-Executive Director	Chairman	6	6
2	Mr. Punit S. Lalbhai	Non-Executive Director	Member	6	6

9 INFORMATION OF GENERAL BODY MEETINGS

9.1 The last three Annual General Meetings (AGM) were held as under:

F.Y.	Day, Date and Time	Meeting and Venue	Details of Special Resolution
2021-22	Monday 8th August 2022 11.00 a.m.	5th Annual General Meeting conducted through VC / OAVM pursuant to the MCA Circular	No Special resolution was passed. No business other than ordinary business was transacted.
2020-21	Tuesday 17th August 2021 11.00 a.m.	4th Annual General Meeting conducted through VC / OAVM pursuant to the MCA Circular	Special Resolution to consider payment of Commission to Non-Executive Directors and Independent Directors in the event of the Company having no profits or inadequate profits in any financial year.
2019-20	Saturday 26th September 2020 11.00 a.m.	3rd Annual General Meeting conducted through VC / OAVM pursuant to the MCA Circular	No Special resolution was passed. No business other than ordinary business was transacted.

9.2 The last three Extra Ordinary General Meeting were held as under: No Extra ordinary general meeting held in last three years.

9.3 Details of Resolution Passed through Postal Ballot, the person who conducted the Postal Ballot Exercise and details of the voting pattern: No Special Resolution was passed in the last year through postal ballot and at present no Special Resolution is proposed to be conducted through postal ballot. Hence, the provisions relating to postal ballot are not required to be complied with.

10 MEANS OF COMMUNICATIONS

The quarterly, half - yearly and annual financial results of the Company are uploaded on NSE Electronic Application Processing System (NEAPS) and BSE Listing Centre in accordance with the requirements of the SEBI Listing Regulations. The financial results are displayed on BSE and NSE websites. The financial results are also published in 'Financial Express' (English) and 'Financial Express' (Gujarati) newspapers and is available on the website of the Company at https://www.anupengg.com/published-financial-results-as-specified-in-regulation-33-of-the-listing-regulation/. The press releases, Investor presentations and transcript of post result analyst and investors conference call are available on the website of the Company at https://www.anupengg.com/quarterly-report/.

11 GENERAL SHAREHOLDER INFORMATION

11.1 Annual General Meeting:

Date	5th August 2023
Time	02:00 p.m.
Venue	Through Video Conferencing /Other Audio Visual Means. For details of VC/ OAVM please refer to the Notice of this AGM.

11.2 Financial Calendar (Tentative):

The Financial Year of the Company is for a period of 12 months from 1st April to 31st March.

Quarterly results and Limited Review for the quarter ending 30th June 2023	Within 45 days of the end of the quarter
Quarterly/Half-yearly results and Limited Review for the quarter ending 30th September 2023	
Quarterly/Nine-months results and Limited Review for the quarter ending 31st December 2023	
Results for the Year ending 31st March 2024	Within 60 days of the end of the financial year

11.3 Book Closure: Saturday, 22nd July 2023 to Saturday, 5th August 2023 (Both Days inclusive).

11.4 Dividend payment Date: The Company has recommended final dividend of ₹ 15 /- per equity share (150%) subject to the approval of the shareholders at the ensuing AGM. The dividend if declared at the Annual General Meeting shall be paid within 30 days of the AGM Date.

11.5 Listing on Stock Exchanges: Equity Shares of the Company are listed on the following Stock Exchanges:

Name of the Stock Exchange	Script Code	Address
BSE Limited	542460	25th Floor, P.J. Towers, Dalal Street, Fort, Mumbai – 400 001
National Stock Exchange of India Limited	ANUP	Exchange Plaza, Bandra – Kurla Complex, Bandra (E), Mumbai – 400 051

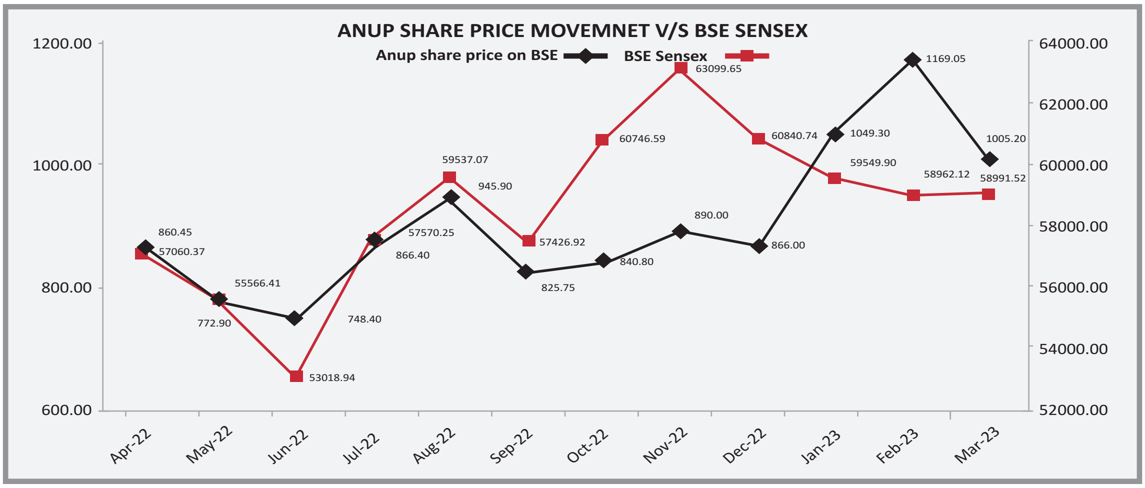
The Company has paid Annual Listing Fees for the Financial Year 2023-24 to each stock Exchanges.

11.6 Market Price data:

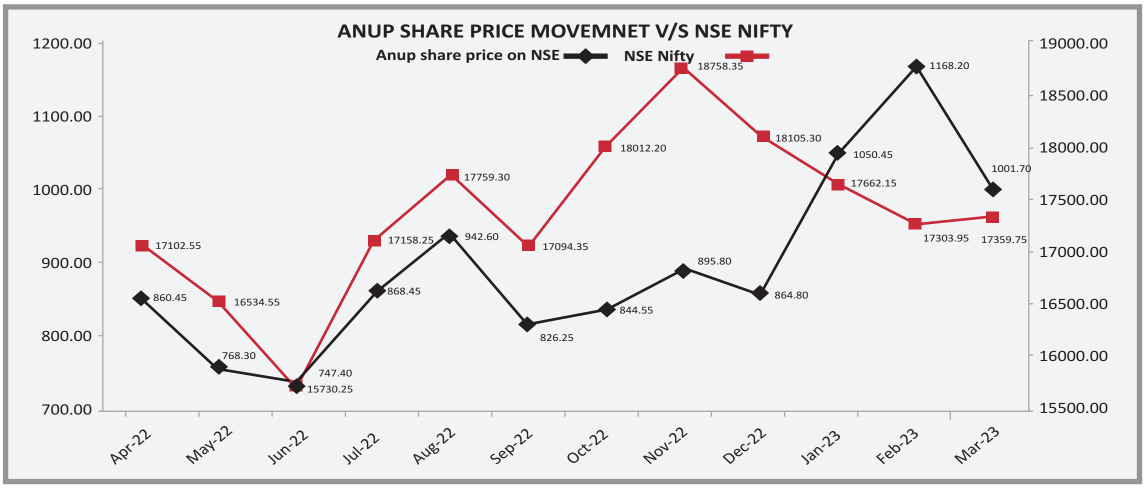
The Market and volume of the Company's share traded on BSE Limited and National Stock Exchange of India Limited during the financial year 2022-23 were as under:

Month	Share Price on BSE		Volumes	BSE Sensex		Share Price on NSE		Volumes	NSE (Nifty)	
	High (₹)	Low (₹)	No. of Shares	High (₹)	Low (₹)	High (₹)	Low (₹)	No. of Shares	High (₹)	Low (₹)
April	940.40	801.45	30,313	60,845.10	56,009.07	943.80	802.95	3,59,794	18,114.65	16,824.70
May	864.00	717.30	21,700	57,184.21	52,632.48	879.65	718.00	2,52,350	17,132.85	15,735.75
June	764.25	615.65	24,429	56,432.65	50,921.22	775.95	615.90	4,35,649	16,793.85	15,183.40
July	898.00	719.35	21,071	57,619.27	52,094.25	884.45	720.35	3,12,139	17,172.80	15,511.05
August	960.85	799.35	29,398	60,411.20	57,367.47	965.00	798.10	3,17,274	17,992.20	17,154.80
September	1026.40	798.15	90,189	60,676.12	56,147.23	1028.95	798.60	5,36,013	18,096.15	16,747.70
October	909.00	812.00	26,015	60,786.70	56,683.40	910.00	816.30	2,36,753	18,022.80	16,855.55
November	948.65	820.00	15,999	63,303.01	60,425.47	950.00	835.00	2,92,555	18,816.05	17,959.20
December	948.00	812.90	12,840	63,583.07	59,754.10	909.00	811.00	2,12,286	18,887.60	17,774.25
January	1088.75	862.90	84,610	61,343.96	58,699.20	1089.00	858.40	12,81,933	18,251.95	17,405.55
February	1229.00	1051.00	87,530	61,682.25	58,795.97	1229.20	1050.00	8,19,803	18,134.75	17,255.20
March	1180.80	952.00	67,897	60,498.48	57,084.91	1181.25	950.05	4,12,800	17,799.95	16,828.35

11.7 Performance of the Company's equity shares (closing share price) in comparison to BSE (Sensex)



11.8 Performance of the Company's equity shares (closing share price) in comparison to NSE (Nifty)



11.9 Registrars and Transfer Agents:

Link Intime India Private Limited
506-508, Amarnath Business Centre-1 (abc-1), Beside Gala Business Centre,
Near St. Xavier's College Corner, Off C G Road, Ellisbridge, Ahmedabad 380006.
Tel No: +91 79 26465179 /86 / 87
E-mail id: ahmedabad@linkintime.co.in
Website: www.linkintime.co.in

11.10 Share transfer system:

(i) Delegation of Share Transfer Formalities:

In terms of Regulation 40(1) of the SEBI Listing Regulations, as amended, securities can be transferred only in dematerialized form w.e.f. April 1, 2019, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. The Directors and certain Company officials (including Chief Financial Officer and Company Secretary) are authorised by the Board severally to approve transfers, which are noted at subsequent Board Meetings.

Pursuant to SEBI circular dated 25th January 2022, securities of the Company shall be issued in dematerialized form only while processing service requests in relation to issue of duplicate securities certificate, renewal / exchange of securities certificate, endorsement, sub-division / splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition.

(ii) Share Transfer Details for the period from 1st April 2022 to 31st March 2023:

Transactions	Physical
Number of Transfers	-
Number of Shares Transferred	-
Number of Pending Share Transfers	-

(iii) Investors' Grievances:

The Registrar and Transfer Agent under the supervision of the Secretarial Department of the Company look after investors' grievances. Link Intime India Private Limited is responsible for redressal of Investors' Grievances. The Company Secretary of the Company has been appointed as the Compliance Officer for this purpose. At each Meeting of the Stakeholders' Relationship Committee, all matters pertaining to investors including their grievances and redressal are reported.

11.11 Category wise shareholding as on 31st March 2023:

Sr. No.	Category	Number of Shareholders	No. of shares held	% of Shareholding
1	Promoters and Promoter Group	30	4253215	42.98
2	Mutual Funds	34	298130	3.01
3	Alternate Investment Funds	2	447489	4.52
4	Bank	36	21201	0.21
5	Insurance Company	2	259366	2.62
6	NBFCs registered with RBI	5	1647	0.02
7	Foreign Portfolio Investors Category I	5	248535	2.51
8	Foreign Portfolio Investors Category, Foreign Bank, Foreign Portfolio Investors Category III	32	1129	0.01
9	State Government /Governor	2	8	0.00
10	Key Managerial Personal	1	11	0.00
11	Investor Education and Protection Fund (IEPF)	1	4009	0.04
12	Individuals	81714	3502663	35.39
13	Non Resident Indians (NRIs)	1496	167715	1.69
14	Bodies Corporate	483	455144	4.60
15	Clearing Members	20	1773	0.02
16	Overseas Corporate Bodies	1	107	0.00
17	Trusts	8	1819	0.02
18	HUF	1567	147770	1.49
19	Body Corp-Ltd Liability Partnership	53	84419	0.85
	Total	**85492**	**9896150**	**100.00**

11.12 Distribution of shareholding as on 31st March 2023:

Share Range		Number of Shareholders	% of total Shareholders	No. of Shares	% of Issued Capital
From	To				
1	500	86196	98.90	1494858	15.11
501	1000	468	0.54	337422	3.41
1001	2000	241	0.28	355608	3.59
2001	3000	74	0.08	184278	1.86
3001	4000	35	0.04	122988	1.24
4001	5000	27	0.03	123080	1.24
5001	10000	53	0.06	396912	4.01
10001	**********	60	0.07	6881004	69.53
Total		**87154**	**100.00**	**9896150**	**100.00**

11.13 Dematerialisation of shares and liquidity:

Demat ISIN: Equity Shares fully paid: INE294Z01018

The Shares of the Company are compulsorily traded in DEMAT form in the Stock Exchanges where they are listed. The Shares are available for dematerialization on both the Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Bifurcation of shares held in physical and demat form as on 31st March 2023:

Particulars	No. of Shares	Percentage (%)
Held in Dematerialized Form in CDSL	1849106	18.69
Held in Dematerialized Form in NSDL	7845182	79.28
Physical	201862	2.04
Total	**9896150**	**100.00**

Norms for furnishing of PAN, KYC, Bank details and Nomination:

SEBI vide its Circular no. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16th March 2023 read with Circular No. SEBI/HO/MIRSD/MIRSD_ RTAMB/P/CIR/2021/655 dated 3rd November 2021 has mandated the listed companies to have PAN, Contact details, Postal address with PIN, Mobile number, E-mail address, Bank account details (bank name and branch, bank account number, IFS code), Specimen Signature and Nomination of all shareholders holding shares in physical form. Folios wherein any one of the above cited details / documents are not available with company on or after 1st October 2023, shall be frozen as per the aforesaid SEBI circular. The investor service requests forms for updation of above mentioned details viz., Forms ISR-1, ISR-2, ISR-3, SH-13, SH-14 are available on our website of the company as well as on the website of RTA. In view of the above, we urge the shareholders to submit the Investor Service Request form along with the supporting documents at the earliest.

11.14 Outstanding GDRs / ADRs /Warrants or any Convertible Instruments, conversion date and likely Impact on Equity:

During the financial year 2022-23, the Company has not issued Global Depository Receipts (GDR) or American Depository Receipts (ADR) or Warrants or any Convertible Instruments except stock option granted to the eligible employee(s) under The Anup Engineering Limited (TAEL) - Employee Stock Option Scheme – 2018 and The Anup Engineering Limited (TAEL) Employee Stock Option Scheme (DEMERGER) – 2018 and ANUP - Employee Stock Option Scheme – 2019.

11.15 Credit Ratings and any revisions thereto for debt instruments or any fixed deposit programme or any scheme or proposal involving mobilization of funds, whether in India or abroad:

The Company has not issued any debt instruments and does not have any fixed deposit programme or any scheme or proposal involving mobilization of funds in India or abroad during the financial year ended 31st March 2023. Care Ratings Limited has reaffirmed both the Long Term and Short Term rating of the Company as CARE A+; Stable and CARE A1+, respectively. There was no revision in the said ratings during the year under review.

11.16 Commodity price risk or foreign exchange risk and hedging activities:

In the ordinary course of business, the Company is exposed to commodity price risk and foreign exchange risk. The Company ensures appropriate risk governance framework through appropriate policies and procedures and that risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

11.17 Plant locations:

Behind 66 KV Elec. Sub-Station, Odhav Road, Ahmedabad-382415, Gujarat, India.

11.18 Address for correspondence:

Shareholders may correspond with the Company at the Registered Office of the Company or at the office of Registrars and Transfer Agents of the Company:

The Anup Engineering Limited	**Link Intime India Private Limited**
Behind 66 KV Elec. Sub-Station, Odhav Road, Ahmedabad- 382415 Phone No. :079-4025 8900 Email: investorconnect@anupengg.com Website: www.anupengg.com	506-508, Amarnath Business Centre-1 (abc-1), Beside Gala Business Centre, Near St. Xavier's College Corner, Off C G Road, Ellisbridge, Ahmedabad - 380006 Phone No. : +91 79 26465179 /86 / 87 Email: ahmedabad@linkintime.co.in Website :www.linkintime.co.in

11.19 Transfer of unclaimed / unpaid amounts to the Investor Education and Protection Fund:

Unpaid / Unclaimed Dividends in accordance with the provisions of Sections 124 and 125 of the Act and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules) dividends not encashed / claimed within seven years from the date of declaration are to be transferred to the Investor Education and Protection Fund (IEPF) Authority. The IEPF Rules mandate companies to transfer shares of Members whose dividends remain unpaid / unclaimed for a continuous period of seven years to the demat account of IEPF Authority. The Members whose dividend / shares are transferred to the IEPF Authority can claim their shares / dividend from the Authority.

The following tables give information relating due dates for transfer of dividend unclaimed to IEPF are as follows:

Financial Year	Rate of Dividend	Date of Declaration of Dividend	Due date for transfer to IEPF*
2017-18	No Dividend	-	-
2018-19	70%	7th August 2019	11th October 2026
2019-20	70%	26th September 2020	1st December 2027
2020-21	70%	17th August 2021	21st October 2028
2021-22	80%	8th August 2022	12th October 2029

* Actual date of transfer may vary.

12 OTHER DISCLOSURE

12.1 All transactions entered into by the Company with related parties as defined under the Act and the SEBI Listing Regulations, during the financial year 2022-23 were in the ordinary course of business and on arm's length pricing basis and do not attract the provisions of Section 188 of the Act. Transactions with related parties are disclosed in "Notes forming part of the Accounts" annexed to the financial statements for the year. There were no materially significant transactions with the related parties during the financial year which were in conflict with the interest of Company. Suitable disclosure as required by the Indian Accounting Standard (Ind AS 24) has been made in the Annual Report. The policy on dealing with related party transactions is available on website of the company at https://www.anupengg.com/policies/.

12.2 The Company has complied with the requirements of the Stock Exchanges, SEBI and Statutory Authorities on all matters related to the capital markets during the last three years. No penalty or strictures were imposed on the Company by any of these authorities.

12.3 Vigil Mechanism/Whistleblower Policy:

In staying true to our values of Strength, Performance and Passion and in line with our vision of being one of the most respected companies in India, the Company is committed to the high standards of Corporate Governance and stakeholder responsibility.

The Company has Whistleblower Policy (WB Policy) which provides a secured avenue to directors, employees, business associates and all other stakeholders of the company for raising their concerns against the unethical practices, if any and no personnel has been denied access to the audit committee. The WB Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern.

Pursuant thereto, a dedicated helpline "Arvind Ethics Helpline" has been set up which is managed by an independent professional organization.

The Ethics Helpline can be contacted to report any suspected or confirmed incident of fraud /misconduct on:

Website for complaints: https://www.arvind.ethicshelpline.in/portal/en/home

Toll Free No.: 1800 200 8301

Dedicated Email ID: arvind@ethicshelpline.in

Whistle blower Committee has been constituted which looks into the complaints raised. The Committee reports to the Audit Committee.

No personnel have been denied access to the Chairman of the Audit Committee, for making complaint on any integrity issue.

12.4 During the year ended 31st March 2023, the Company does not have any Material Unlisted Subsidiary Company as defined in Regulation 16 of the SEBI Listing Regulations. The Company has formed the policy for determining material subsidiary as required by under Regulation 16 of the SEBI Listing Regulations and the same is available on the website of the Company at https://www.anupengg.com/policies/.

12.5 The policy on dealing with related party transactions is available on website of the company at https://www.anupengg.com/policies/.

12.6 There were no instances of raising of funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of the SEBI Listing Regulations.

12.7 Certification from Company Secretary in Practice:

A certificate obtain from Ms. Ankita Patel, Company Secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs is annexed to this Report.

12.8 In terms of the amendments made to the SEBI Listing Regulations, the Board of Directors confirm that during the year, it has accepted all recommendations received from its mandatory committees.

12.9 The Company has followed all relevant Accounting Standards notified by the Companies (Indian Accounting Standards) Rules, 2015 while preparing Financial Statements for Financial Year 2022-23.

12.10 Disclosure with respect to demat suspense account/ unclaimed suspense account: Not applicable.

12.11 The Company has duly complied with the requirements specified in Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations.

12.12 During the Financial Year 2022-23, the total fees for all services paid by the Company, on consolidated basis, to statutory auditor and all entities in the network firm/network entity of statutory auditor was ₹ 21.60 Lakhs.

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

Number of complaints filed during the financial year 2022-23:	Nil
Number of complaints disposed off during the financial year 2022-23:	NA
Number of complaints pending as on end of the financial year:	NA

13 Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested : Not Applicable, as the Company has not given any loans and advances in the nature of loans to firms/companies in which Directors are interested by name and amount, during the year under review.

14 Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries: Not Applicable.

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

The Company has complied with all the mandatory requirements as stipulated under the SEBI Listing Regulations. The status of compliance with discretionary recommendations and adoption of the non-mandatory requirements as specified in Regulation 27(1) of the SEBI Listing Regulations, are provided below:

a. **The Board:** The Chairman of the Company is Non-Executive Director.

b. **Shareholder Rights:** The Company's half-yearly and quarterly results are published in leading English and Gujarati newspaper and also uploaded on the website of the Company. The Company also suo moto publishes quarterly condensed standalone and consolidated financial statements that are duly limited reviewed by the statutory auditors.

The Company's half-yearly and quarterly results are published in leading English and Gujarati newspaper and also uploaded on the website of the Company. The Company also suo moto publishes quarterly condensed standalone and consolidated financial statements that are duly limited reviewed by the statutory auditors. The Company has taken adequate steps to educate the shareholders on the performance of the Company through timely disclosures on the stock exchange, financial performance information emails, regular reminders on process of unclaimed dividend, discussions and deliberation at the Investor calls.

c. **Modified Opinion(s) in Audit Report:** The Company already has a regime of un-qualified financial statement. There is no qualification in the Audit Report. Auditor has issued an unqualified opinion without any matter of emphasis in the preceding three financial years. There have been no adverse remarks / concerns from statutory auditors since listing of the company.

d. **Separate posts of Chairperson and Chief Executive Officer:** Mr. Sanjay S. Lalbhai is the Chairman and Mr. Reginaldo Dsouza is Chief Executive Officer (CEO) of the Company.

e. **Reporting of Internal Auditor:** The Internal Auditors of the Company are present in Audit Committee Meetings, and they report to the Audit committee.

15.1 CEO/CFO Certification:

The Chief Executive Officer (CEO) and Chief Financial Officer (CFO) have issued certificate pursuant to the provisions of Regulation 17(8) of the SEBI Listing Regulations, certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affair. The said certificate is annexed and forms a part of the Annual Report.

15.2 Certificate on Corporate Governance:

A compliance certificate from statutory auditor pursuant to the requirements of Schedule V to the SEBI Listing Regulations regarding compliance of conditions of Corporate Governance is attached.

The above Report was placed before the Board at its meeting held on 17th May 2023 and the same was approved.

For and on behalf of the Board

Place: Ahmedabad
Date: 17th May 2023

Sanjay S. Lalbhai
Chairman
DIN: 00008329

Certificate of Non-Disqualification of directors

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members,

The Anup Engineering Limited

CIN: L29306GJ2017PLC099085

Behind 66 KV, Elec. Sub-Station,

Odhav Road, Ahmedabad – 382415

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **The Anup Engineering Limited** having CIN: L29306GJ2017PLC099085 and having registered office at Behind 66 KV Elec. Sub-Station, Odhav Road, Ahmedabad – 382415 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No	Name of the Director	DIN	*Date of Appointment
1	Mr. Sanjaybhai Lalbhai	00008329	25/10/2017
2	Mr. Punit Lalbhai	05125502	25/10/2017
3	Mr. Samvegbhai Lalbhai	00009278	01/11/2018
4	Mr. Arpit Patel	00059914	01/11/2018
5	Mr. Ganpatraj Chowdhary	00344816	01/11/2018
6	Ms. Reena Bhagwati	00096280	01/11/2018

* As per website of Ministry of Corporate Affairs.

It shall be noted that ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification.

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Ahmedabad
Date: 17th May 2023

CS Ankita Patel
Practicing Company Secretary
M. No.:F8536; COP: 16497
Peer Review Certificate No. No.: 1594/2021
UDIN: F008536E000333520

CEO / CFO Certificate

(Regulation 17(8) and Part B of Schedule II of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,

The Board of Directors,

The Anup Engineering Limited

Ahmedabad

Dear Sir,

We, the undersigned, in our respective capacities as the Chief Executive Officer and Chief Financial officer of The Anup Engineering Limited ("the Company") to the best of our knowledge and belief certify that:

A. We have reviewed the Financial Statements and the Cash Flow Statement for the year ended 31st March 2023 and based on our knowledge and belief, we state that:

   (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. We further state that to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violate of the listed entity's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated, based on our evaluation, wherever applicable, to the Auditors' and the Audit Committee:

   (1) significant changes in internal control over financial reporting during the year, if any;

   (2) significant changes, if any, in accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and

   (3) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

Place: Ahmedabad	**Reginaldo Dsouza**	**Nilesh Hirapara**
Date: 17th May 2023	Chief Executive Officer	Chief Financial Officer

Declaration Regarding Compliance with code of conduct For Directors and Senior Management Personnel

As required under Regulation 34(3) read with Part D of Schedule V of Listing Regulations, I hereby declare that all the Directors of the Board and Senior Management Personnel of the Company have affirmed, compliance with provisions of the applicable Code of Conduct of the Company during the financial year ended 31st March 2023.

Place: Ahmedabad	**Reginaldo Dsouza**
Date: 17th May 2023	Chief Executive Officer

Auditors' Certificate regarding compliance of conditions of Corporate Governance

To the Members of
The Anup Engineering Limited
Ahmedabad

We, Sorab S. Engineer and Co., Chartered Accountants, the Statutory Auditors of **The Anup Engineering Limited** ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2023, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

Managements' Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

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

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI Listing Regulations during the year ended March 31, 2023.

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

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

CA. Chokshi Shreyas B.
Partner
Membership No. 100892
UDIN: 23100892BGQHMU9433

Place: Ahmedabad
Date:17th May 2023

Independent Auditor's Report

TO THE MEMBERS OF THE ANUP ENGINEERING LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of The Anup Engineering Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, 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 standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, 2023, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone 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 Standalone 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 standalone 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 standalone 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 standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115**	**Principal Audit Procedures** Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:

	"Revenue from Contracts with Customers"
	The application of the revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognised over a period, estimate of variable consideration, reduction of revenue on the basis of consideration payable to customers, recognition of contract assets and refund liability. Additionally, new revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.
	Refer Note 17 to the Financial Statements
		• Evaluated the design of internal controls relating to implementation of the new revenue accounting standard.
		• Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, reperformance and inspection of evidence in respect of operation of these controls.
		• Selected a sample of continuing and new contracts and performed the following procedures:
		  • Read, analysed and identified the distinct performance obligations in these contracts.
		  • Compared these performance obligations with that identified and recorded by the Company.
		  • Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration.
		  • Considered the terms of contracts for determination of Principal versus agent consideration, recognition of contract assets and refund liability including historical trend of returns.

Sr. No.	Key Audit Matter	Auditor's Response
		• Sample of revenues disaggregated by type and service offerings was tested with the performance obligations specified in the underlying contracts. • Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings. • We reviewed the collation of information to prepare the disclosure relating to the periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.

Information Other than the Standalone 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 Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone 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 Standalone 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 standalone 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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 Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone 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 standalone 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 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 standalone 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, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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) 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, as amended, 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 year is in accordance with the provisions of section 197 of the Act.

   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 has disclosed the impact of pending litigations on its financial position in its standalone 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.

      iv. 1. The management has represented that, to the best of its knowledge and belief, 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, 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.

      2 The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding

Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

3 Based on the audit procedures conducted by us, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material misstatements.

v. The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act.

vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable w.e.f. April 1, 2023, reporting under this clause is not applicable..

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.**
Firm's Registration No. 110417W
Chartered Accountants
CA. Chokshi Shreyas B.
Partner
Membership No.100892
UDIN: 23100892BGQHHL5209

Place : Ahmedabad
Date : 17th May 2023

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 The Anup 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 THE ANUP ENGINEERING LIMITED ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The 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, 2023, 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.**
Firm's Registration No. 110417W
Chartered Accountants
CA. Chokshi Shreyas B.
Partner
Membership No.100892

Place : Ahmedabad
Date : 17th May 2023

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 The Anup Engineering Limited of even date)

i. In respect of the Company's fixed assets:

(a) (1) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(2) The Company has maintained proper records showing full particulars of intangible assets.

b) The Company has a program of verification to cover all the items of Property, Plant and Equipment in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

c) With respect to immovable properties disclosed in the financial statements included in property, plant and equipment and capital work-in-progress, according to the information and explanations given to us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of such immovable properties are held in the name of the Company as at the balance sheet date, except for the following:

(₹ in Lakhs)

Description of property	As at the Balance sheet date		Held in the name of	Whether promoter, director or their relative or employee	Period held	Reason for not being in name of the Company
	Gross carrying value	Carrying value in the financial statements				
Freehold Land	3863.33	3863.33	Anveshan Heavy Engineering Limited	Old name of the Company	Since January 2019	The title deed is in the name of the Company's old name.

d) According to the information and explanations given to us, the Company has not revalued its Property, Plant and Equipment or intangible assets or both during the year.

e) According to the information and explanation given to us, the Company has no proceedings pending for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

ii. In respect of Company's Inventories:

a). As explained to us, physical verification of inventory has been conducted at reasonable intervals by the management and in our opinion the coverage and procedure of such verification is appropriate, and no material discrepancies were noticed on verification between the physical stocks and the book records which were 10% or more in the aggregate for each class of inventory, and the same have been properly dealt with in the books of account.

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 in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks are generally in agreement with the books of account of the Company and no material discrepancy has been noticed.

iii. The Company has made investments in, provided any guarantee or security and granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, in respect of which:

(a) The Company has provided loans and stood guarantee during the year and details of which are given below:

(₹ in Lakhs)

Particulars	Loans	Guarantee
A. Aggregate amount granted/provided during the year (Gross):		
-Subsidiary	5,242.43	5,000.00
B. Balance outstanding as at balance sheet date in respect of above cases (utilised)		
-Subsidiary	3,745.22	3,452.08

The Company has not provided any advances in the nature of loans to any other entity during the year.

(b) The investments made, guarantees provided and the terms and conditions of the grant of all the above-mentioned loans and guarantees provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

(c) The Company has granted loans where the schedule or repayment of principal and payment of interest has been stipulated and the repayments are regular.

(d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) None of the loans granted by the Company have fallen due and not repaid during the year.

(f) The Company has not granted Loans which are repayable on demand.

iv. According to the information and explanations given to us and on the basis of our examination of the records, 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. However, the Company has complied with the provisions of section 186 of the Act in respect of loan granted, investment made and guarantee provided.

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. The maintenance of cost records has been specified by the Central Government under section 148 (1) of the Act. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rule, 2014, as amended prescribed by the Central Government under section 148 (1) of the Act, and we are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii. According to the information and explanations given to us, in respect of statutory dues:

a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Wealth Tax, Custom Duty, Goods and Service Tax, Cess and other material statutory dues applicable to it. 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, 2023 for a period of more than six months from the date they became payable.

b) Details of Income Tax, Excise Duty, Custom Duty, Service Tax, Sales Tax and Value Added Tax dues which have not been deposited as on March 31, 2023 on account of disputes are given below:

Name of the statute	Nature of dues	Amount involved and unpaid (₹ in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
The Income tax Act 1961	Income tax	0.07	2016-17	Commissioner of Income tax (Appeals)
		53.83	2017-18	
		59.22	2019-20	

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

ix. In our opinion and according to the information and explanations givens to us, in respect of Company's Borrowings:

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 is not a declared willful defaulter by any bank or financial institution or other lender.

c) The Company has not obtained any term loans during the year.

d) The funds raised on short term basis have not been utilized 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 subsidiary.

f) The Company has not raised loans during the year on the pledge of securities held in its subsidiary.

x. In our opinion and according to the information and explanations given to us, the Company has not raised funds by way of initial public offer or further public offer (including debt instruments) or preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Consequently, the requirements of clause (x) of paragraph 3 of the order are not applicable.

xi. In respect of fraud by the Company or on the Company:

a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 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.

c) There have been no whistle-blower complaints received during the year by the Company.

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

xiii. In our opinion and according to the information and explanations given to us, 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 as required by the applicable Indian Accounting Standard (Ind AS)-24 Related Party Disclosures.

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

xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

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

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

xvii. According to the information and explanations given to us, the Company has not incurred cash losses in current and immediate preceding financial year.

xviii. According to the information and explanations given to us, there has been no resignation of the statutory auditors during the year.

xix. According to the information and explanations given to us and on the basis of the financial ratios, 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 the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. In respect of the Company's Corporate Social Responsibility (CSR):, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

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

CA. Chokshi Shreyas B.
Partner
Membership No.100892

Place : Ahmedabad
Date : 17th May 2023

Standalone Balance Sheet as at March 31, 2023

(₹ in Lakhs)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
I. Non-Current Assets			
(a) Property, plant and equipment	5	**20,068.62**	18,291.07
(b) Capital work-in-progress	5	**34.41**	1,260.64
(c) Intangible assets	6	**1,670.09**	2,020.05
(d) Financial assets			
(i) Investments	7 (a)	**2,016.00**	2,016.00
(ii) Loans	7 (f)	**1,245.22**	-
(iii) Other financial assets	7 (e)	**262.91**	218.03
(e) Other non-current assets	8	**50.00**	762.06
Total Non-Current Assets (A)		**25,347.25**	24,567.85
II. Current Assets			
(a) Inventories	9	**12,691.84**	9,019.69
(b) Financial assets			
(i) Trade receivables	7 (b)	**14,856.24**	12,479.55
(ii) Cash and cash equivalents	7 (c)	**3,107.81**	946.45
(iii) Bank balance other than (ii) above	7 (d)	**150.82**	4,180.22
(iv) Loans	7 (f)	**2,500.00**	-
(v) Others financial assets	7 (e)	**18.17**	50.60
(c) Other current assets	10	**2,090.89**	1,246.12
Total Current Assets (B)		**35,415.77**	27,922.63
TOTAL ASSETS (A) + (B)		**60,763.02**	52,490.48
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	11	**989.62**	988.12
(b) Other equity	12	**43,202.41**	38,456.89
Total Equity (A)		**44,192.03**	39,445.01
LIABILITIES			
I. Non-Current Liabilities			
(a) Deferred tax liabilities (net)	25	**1,209.78**	1,165.06
(b) Long-term provisions	14	**-**	33.43
Total Non-Current Liabilities (B)		**1,209.78**	1,198.49
II. Current Liabilities			
(a) Financial liabilities			
(i) Trade payables	13 (a)		
Total outstanding dues of micro enterprises and small enterprises		**62.45**	30.85
Total outstanding dues of creditors other than micro enterprises and small enterprises		**6,032.37**	4,156.35
(ii) Other financial liabilities	13 (b)	**384.77**	264.83
(b) Short-term provisions	14	**73.89**	63.65
(c) Other current liabilities	15	**7,265.20**	6,293.81
(d) Current tax liabilities (Net)	16	**1,542.53**	1,037.49
Total Current Liabilities (C)		**15,361.21**	11,846.98
TOTAL EQUITY AND LIABILITIES (A) + (B) + (C)		**60,763.02**	52,490.48

See accompanying notes forming part of the standalone financial statements

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

CA. Chokshi Shreyas B.
Partner
Membership No. 100892

Place : Ahmedabad
Date : 17th May, 2023

For and on behalf of the board of directors of The Anup Engineering Limited

Sanjay S. Lalbhai
Chairman
DIN: 00008329

Punit S. Lalbhai
Director
DIN: 05125502

Reginaldo Desouza
Chief Executive Officer

Nilesh Hirapara
Chief Financial Officer

Chintankumar Patel
Company Secretary
Membership No. A29326

Place : Ahmedabad
Date : 17th May, 2023

Standalone Statement of profit and loss for the year ended March 31, 2023

(₹ in Lakhs)

Particulars	Notes	Year Ended March 31, 2023	Year Ended March 31, 2022
I. INCOME			
(a) Revenue from operations	17	**41,133.81**	28,824.16
(b) Other income	18	**439.59**	454.02
TOTAL REVENUE		**41,573.40**	**29,278.18**
II. EXPENSES			
(a) Cost of raw materials consumed	19	**23,320.80**	16,272.51
(b) Changes in inventories of finished goods and work-in-progress	20	**(1,137.68)**	(2,255.85)
(c) Employee benefits expense	21	**2,095.78**	2,035.48
(d) Finance costs	22	**139.33**	103.13
(e) Depreciation and amortisation expense	23	**1,254.05**	1,159.22
(f) Other expenses	24	**8,581.27**	5,771.67
TOTAL EXPENSES		**34,253.55**	**23,086.16**
III. PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX (I-II)		**7,319.85**	6,192.02
IV. Exceptional items		**-**	-
V. PROFIT BEFORE TAX (III-IV)		**7,319.85**	**6,192.02**
VI. TAX EXPENSE			
(a) Current tax	25	**1,815.00**	1,545.00
(b) Excess provision of tax for to earlier years written back		**-**	(1,557.37)
(c) Deferred Tax Charge/(Credit)		**41.82**	(80.85)
Total Tax Expense		**1,856.82**	(93.22)
VII. PROFIT FOR THE YEAR (V-VI)		**5,463.03**	6,285.24
VIII. OTHER COMPREHENSIVE INCOME/(LOSS)			
Items that will not be reclassified to Profit and Loss			
(i) Remeasurement income/(loss) of defined benefit plans	30	**11.52**	(5.77)
(ii) Income tax related to above item		**(2.90)**	1.45
TOTAL OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR (NET OF TAX) (VIII)		**8.62**	(4.32)
IX. TOTAL COMPREHENSIVE INCOME FOR THE YEAR (NET OF TAX) (VII+VIII)		**5,471.65**	6,280.92
X. EARNING PER EQUITY SHARE [NOMINAL VALUE PER SHARE ₹10/-]	32		
- Basic		**55.25**	63.64
- Diluted		**54.89**	63.25

See accompanying notes forming part of the standalone financial statements

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

CA. Chokshi Shreyas B.
Partner
Membership No. 100892

Place : Ahmedabad
Date : 17th May, 2023

For and on behalf of the board of directors of The Anup Engineering Limited

Sanjay S. Lalbhai
Chairman
DIN: 00008329

Punit S. Lalbhai
Director
DIN: 05125502

Reginaldo Desouza
Chief Executive Officer

Nilesh Hirapara
Chief Financial Officer

Chintankumar Patel
Company Secretary
Membership No. A29326

Place : Ahmedabad
Date : 17th May, 2023

Standalone Statement of cash flows for the year ended March 31, 2023

(₹ in Lakhs)

	Particulars	Year ended March 31, 2023		Year ended March 31, 2022	
A	**Cash Flow from Operating Activities**				
	Profit Before Tax		**7,319.85**		6,192.02
	Adjustments to reconcile profit before tax to net cash flows:				
	Depreciation/Amortization	**1,254.05**		1,159.22	
	Interest Income	**(341.31)**		(367.79)	
	Finance Cost	**139.33**		103.13	
	Allowance/(Reversal) for doubtful debts	**(17.95)**		186.04	
	Allowance/(Reversal) for doubtful advances	**(3.31)**		3.45	
	Property, Plant & Equipment written off	**7.71**		-	
	Sundry Credit Balances appropriated	**(7.64)**		(7.15)	
	Loss/(Profit) on sale of Property, Plant & Equipment	**3.83**		(1.87)	
	Share based payment expense	**43.13**		38.92	
			1,077.84		1,113.95
	Operating Profit Before Working Capital Changes		**8,397.69**		7,305.97
	Adjustments for changes in working capital :				
	(Increase)/Decrease in inventories	**(3,672.15)**		(2,341.67)	
	(Increase)/Decrease in trade receivables	**(2,358.74)**		(1,634.82)	
	(Increase)/Decrease in other financial assets	**(23.73)**		(14.08)	
	(Increase)/Decrease in other assets	**(842.80)**		(230.61)	
	Increase/(Decrease) in trade payables	**1,915.26**		1,499.69	
	Increase/(Decrease) in other financial liabilities	**110.55**		5.60	
	Increase/(Decrease) in other current liabilities	**971.39**		1,200.02	
	Increase/(Decrease) in provisions	**(11.67)**		20.54	
	Net Changes in Working Capital		**(3,911.89)**		(1,495.33)
	Cash Generated from Operations		**4,485.80**		5,810.64
	Direct Taxes paid (Net of tax refund)		**(1,309.96)**		1,570.74
	Net Cash Flow from Operating Activities		**3,175.84**		7,381.38
B	**Cash Flow from Investing Activities**				
	Purchase of Property, Plant & Equipment (including Capital advances)	**(771.02)**		(2,128.16)	
	Proceeds from disposal of Property, Plant & Equipment	**17.47**		16.60	
	Purchase of investments	**-**		(2,015.00)	
	Changes in other bank balances not considered as cash and cash equivalents	**4,008.25**		(2,355.87)	
	Loans given (net)	**(3,745.22)**		-	
	Interest received	**373.74**		367.79	
	Net Cash Flow used in Investing Activities		**(116.78)**		**(6,114.64)**
C	**Cash Flow from Financing Activities**				
	Proceeds from Issue of Share Capital	**22.73**		75.72	
	Dividend paid	**(781.00)**		(679.64)	
	Payments towards fractional entitlement	**(0.10)**		(0.11)	
	Interest Paid	**(139.33)**		(103.13)	
	Net Cash Flow used in Financing Activities		**(897.70)**		(707.16)
	Net Increase in cash and cash equivalents		**2,161.36**		559.58
	Cash and Cash equivalent at the beginning of the year		**946.45**		386.87
	Cash and Cash equivalent at the end of the year		**3,107.81**		946.45

Standalone Statement of cash flows for the year ended March 31, 2023

Reconciliation of cash and cash equivalents (₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Cash and cash equivalents : (Refer Note 7 (c))		
Cash on Hand	**0.55**	0.36
Balances with Banks	**3,107.26**	946.09
Cash and cash equivalents as per Balance Sheet	**3,107.81**	946.45
Cash and cash equivalents as per Cash flow Statement	**3,107.81**	946.45

See accompanying notes forming part of the standalone financial statements

Notes: 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.**
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Chartered Accountants

CA. Chokshi Shreyas B.
Partner
Membership No. 100892

Place : Ahmedabad
Date : 17th May, 2023

For and on behalf of the board of directors of The Anup Engineering Limited

Sanjay S. Lalbhai
Chairman
DIN: 00008329

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DIN: 05125502

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Chief Executive Officer

Nilesh Hirapara
Chief Financial Officer

Chintankumar Patel
Company Secretary
Membership No. A29326

Place : Ahmedabad
Date : 17th May, 2023

Standalone Statement of Changes in Equity for the year ended March 31, 2023

A. Equity share capital

(₹ in Lakhs)

Particulars	Amount
As at April 1, 2021	**983.12**
Add : Issued during the year under ESOP	5.00
As at March 31, 2022	**988.12**
As at April 1, 2022	**988.12**
Add : Issued during the year under ESOP	1.50
As at March 31, 2023	**989.62**

B. Other equity

Particulars	Reserves and Surplus					Total other equity
	Capital reserve	Capital redemption reserve	Share based payment reserve	Securities premium	Retained earnings	
			Note 33			
Balance as at April 1, 2021	**5.00**	**38.78**	**97.45**	**17,891.22**	**14,723.46**	**32,755.91**
Profit for the year	-	-	-	-	6,285.24	**6,285.24**
Other comprehensive income/(loss) for the year	-	-	-	-	(4.32)	**(4.32)**
Total Comprehensive income for the year	**-**	**-**	**-**	**-**	**6,280.92**	**6,280.92**
Add: Issue of Shares under Employee Stock Option Plan	-	-	38.92	-	-	**38.92**
Less: Transfer to Securities premium account		-	(32.38)	-	-	**(32.38)**
Add: Received during the year	-	-	-	70.72	-	**70.72**
Add: Transfer from Share based payment reserve	-	-	-	32.38	-	**32.38**
Less: Dividend paid during the year	-	-	-	-	(689.58)	**(689.58)**
Balance as at March 31, 2022	**5.00**	**38.78**	**103.99**	**17,994.32**	**20,314.80**	**38,456.89**
Balance as at April 1, 2022	**5.00**	**38.78**	**103.99**	**17,994.32**	**20,314.80**	**38,456.89**
Profit for the year	-	-	-	-	5,463.03	**5,463.03**
Other comprehensive income/(loss) for the year	-	-	-	-	8.62	**8.62**
Total Comprehensive income for the year	**-**	**-**	**-**	**-**	**5,471.65**	**5,471.65**
Add: Issue of Shares under Employee Stock Option Plan	-	-	43.13	-	-	**43.13**
Less: Transfer to Securities premium account	-	-	(9.72)	-	-	**(9.72)**
Add: Received during the year	-	-	-	21.23	-	**21.23**
Add: Transfer from Share based payment reserve	-	-	-	9.72	-	**9.72**
Less: Dividend paid during the year	-	-	-	-	(790.49)	**(790.49)**
Balance as at March 31, 2023	**5.00**	**38.78**	**137.40**	**18,025.27**	**24,995.96**	**43,202.41**

Note: Refer note 12 for nature and purpose of reserves and surplus.

In terms of our report attached
For, **Sorab S. Engineer & Co.**
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Partner
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Place : Ahmedabad
Date : 17th May, 2023

For and on behalf of the board of directors of The Anup Engineering Limited

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Chintankumar Patel
Company Secretary
Membership No. A29326

Place : Ahmedabad
Date : 17th May, 2023

Notes to the Standalone Financial Statements for the year ended March 31, 2023

1. Corporate Information

The Anup Engineering Limited ("the Company") is engaged in manufacturing and fabrication of process equipment required for Chemicals, Petrochemicals, Pharmaceuticals, Fertilizers, Drugs and other allied industries.

The Company is a Public Limited Company domiciled in India and incorporated under the provisions of the Companies Act, 2013 ("the Act" erstwhile Companies Act, 1956) applicable in India. Its equity shares are listed on the National Stock Exchange ("NSE") and the BSE Limited. The registered office of the Company is located at Odhav, Ahmedabad.

The standalone financial statements have been considered and approved by the Board of Directors at their meeting held on 17th May, 2023.

2. Statement of Compliance and Basis of Preparation:

The standalone financial statements have been prepared on a historical cost convention on the accrual basis except for the certain financial assets and liabilities measured at fair value, the provisions of the Companies Act, 2013 to the extent notified ("the Act") and guidelines issued by the Securities and Exchange Board of India (SEBI).

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

These standalone 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, 2023 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 standalone financial statements are presented in Indian Rupee ("INR") and all values are rounded to the nearest Lakhs 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.

3.2. Use of estimates and judgements

The estimates and judgements used in the preparation of the standalone financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Difference between actual results and estimates are recognised in the period in which the results are known / materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

3.3. Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Company elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Company entered into to

replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.

- Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.
- Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Company acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent to its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

Business Combination under Common Control

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and the control is not transitory. The transactions between entities under common control are specifically covered by Ind AS 103. Such transactions are accounted for using the pooling-of-interest method. The assets and liabilities of the acquired entity are recognised at their carrying amounts of the parent entity's consolidated financial statements with the exception of certain income tax and deferred tax assets. No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies. The components of equity of the acquired companies are added to the same components within the Company's equity. The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to other equity and is presented separately from other capital reserves. The Company's shares issued in consideration for the acquired companies are recognized from the moment the acquired companies are included in these financial statements and the financial statements of the commonly controlled entities would be combined, retrospectively, as if the transaction had occurred at the beginning of the earliest reporting period presented.

Notes to the Standalone Financial Statements

3.4. Foreign currencies

The Company's functional and presentation currency is Indian Rupee. Transactions in foreign currencies are initially recorded by the Company's functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement of such transaction and on translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rate are recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges.

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

3.5. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and for non-recurring measurement, such as asset held for sale.

External valuers are involved for valuation of significant assets, such as properties. Involvement of external valuers is decided upon annually by the management after discussion with and approval by the Company's Audit Committee. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

Management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable on yearly basis.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Significant accounting judgements, estimates and assumptions
- Quantitative disclosures of fair value measurement hierarchy
- Property, plant and equipment & Intangible assets measured at fair value on the date of transition
- Investment properties
- Financial instruments (including those carried at amortised cost)

3.6. Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of Property, plant and equipment are required to be replaced at intervals, the company recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Borrowing cost relating to acquisition / construction of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Capital work-in-progress comprises cost of fixed assets that are not yet installed and ready for their intended use at the balance sheet date.

De-recognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is de-recognised.

Depreciation

Depreciation on property, plant and equipment is provided so as to write off the cost of assets less residual values over their useful lives of the assets, using the straight-line method as prescribed under Part C of Schedule II to the Companies Act 2013 except for Buildings and Plant and Machinery.

When parts of an item of property, plant and equipment have different useful life, they are accounted for as separate items (Major Components) and are depreciated over their useful life or over the remaining useful life of the principal assets whichever is less.

Depreciation on certain Buildings and Plant and Machinery are provided on straight line method over the useful lives of the assets based upon the technical evaluation by external agency which are as follows:

Particulars	Useful life
Building	10 - 45 Years
Plant and Machinery	30 Years

The management believes that the useful life as given above best represent the period over which management expects to use these assets. Hence the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II to the Companies Act 2013.

Depreciation for assets purchased/sold during a period is proportionately charged for the period of use.

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

3.7. Leases

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset (ROU) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Notes to the Standalone Financial Statements

3.8. Borrowing cost

Borrowing cost includes interest expense as per Effective Interest Rate (EIR) and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

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. Where funds are borrowed specifically to finance a project, the amount capitalised represents the actual borrowing costs incurred. Where surplus funds are available out of money borrowed specifically to finance a project, the income generated from such current investments is deducted from the total capitalized borrowing cost. Where the funds used to finance a project form part of general borrowings, the amount capitalised is calculated using a weighted average of rates applicable to relevant general borrowings of the company during the year. Capitalisation of borrowing costs is suspended and charged to profit and loss during the extended periods when the active development on the qualifying assets is interrupted.

All other borrowing costs are expensed in the period in which they occur.

3.9. Intangible Assets

Intangible Assets that the Company controls and from which it expects future economic benefits are capitalised upon acquisition and measured initially:

- for assets acquired in a business combination at fair value on the date of acquisition
- for separately acquired assets, at cost comprising the purchase price and directly attributable costs to prepare the asset for its intended use.

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are charged to the Statement of Profit and Loss unless a product's technological and commercial feasibility has been established, in which case such expenditure is capitalised.

Following initial recognition, Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is recognised in the Statement of Profit and Loss in the period in which expenditure is incurred.

The useful lives of intangible assets are assessed as finite.

Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Amortisation

Software is amortized over management estimate of its useful life of 5 years or License Period whichever is lower and Patent/Knowhow is amortized over its useful life of 5 years. Licenses are amortized over 10 years.

3.10. Inventories

Inventories of Raw material, Work-in-progress and Finished goods are valued at the lower of cost including related overheads and net realisable value. However, Raw material and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- **Raw materials:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- **Finished goods and work in progress:** cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average basis. Taxes which are subsequently recoverable from taxation authorities are not included in the cost.

Inventories of stores and consumables are valued at cost. The stock of waste is valued at net realisable value.

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

3.11. Impairment of non-financial assets

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

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

The Company bases its impairment calculation on detailed budgets and forecasts which are prepared separately for each of the Company's CGU to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses, including impairment on inventories, are recognised in the Statement of Profit and Loss in those expense categories consistent with the function of the impaired asset, except for a property previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

3.12. Revenue Recognition

The Company derives revenues primarily from sale of manufactured goods and related services. Revenue includes adjustments made towards liquidated damages and variations wherever applicable.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

Revenue from rendering of services is recognised over time as the customer receives the benefit of the Company's performance and the Company has an enforceable right to payment for services transferred.

Unbilled revenue represents value of services performed in accordance with the contract terms but not billed.

Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.

The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Group performs; or
2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Company's performance does not create an asset with an alternative use to the Company and an entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Export Incentive

Export incentives under various schemes notified by government are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

Interest Income

Interest income from debt instruments are recorded using the effective interest rate (EIR) and accrued on timely basis. The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit or loss.

Profit or loss on sale of Investments

Profit or Loss on sale of investments are recorded on transfer of title from the Company, and is determined as the difference between the sale price and carrying value of investment and other incidental expenses.

Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms except in the case where incremental lease reflects inflationary effect and rental income is accounted in such case by actual rent for the period.

Insurance claims

Insurance claims are accounted for to the extent the Company is reasonably certain of their ultimate collection.

3.13. 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.

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.

(d) Equity instruments:

All equity investments in scope of Ind-AS 109 other than Investment in subsidiaries, Joint Ventures and Associates are measured at fair value. Equity instruments which are held for trading, are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Equity Investment in subsidiaries, Joint Ventures and Associates are measured at cost as per Ind AS 27 - Separate Financial Statements.

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

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 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.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received, net of direct issue costs.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by a Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

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.

Notes to the Standalone Financial Statements

3.14. 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.

3.15. Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised in Statement of Profit or Loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset by equal annual instalments.

3.16. Taxes

Tax expense comprises of current income tax and deferred tax.

Current income tax:

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of taxable temporary differences associated with investments in subsidiaries and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

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 taxes relate to the same taxable entity and the same taxation authority.

The Company recognizes tax credits in the nature of MAT credit as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which tax credit is allowed to be carried forward. In the year in which the Company recognizes tax credits as an asset, the said asset is created by way of tax credit to the Statement of profit and loss. The Company reviews such tax credit asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period. Deferred tax includes MAT tax credit.

3.17. Employee Benefits

(a) Short Term Employee Benefits

All employee benefits payable within twelve months of rendering the service are classified as short term benefits. Such benefits include salaries, wages, bonus, short term compensated absences, awards, ex-gratia, performance pay etc. and the same are recognised in the period in which the employee renders the related service.

(b) Post-Employment Benefits

(i) Defined contribution plan

The Company's approved provident fund scheme, superannuation fund scheme, employees' state insurance fund scheme and Employees' pension scheme are defined contribution plans. The Company has no obligation, other than the contribution paid/payable under such schemes. The contribution paid/payable under the schemes is recognised during the period in which the employee renders the related service.

(ii) Defined benefit plan:

The employee's gratuity fund scheme, Compensatory Pension Scheme and post-retirement medical benefit schemes are Company's defined benefit plans. The present value of the obligation under such defined benefit plans is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of the Balance sheet. In case of funded plans, the fair value of plan asset is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on the net basis.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods.

(c) Other long term employment benefits:

The employee's long term compensated absences are Company's defined benefit plans. The present value of the obligation is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of the Balance sheet. In case of funded plans, the fair value of plan asset is reduced from the gross obligation, to recognise the obligation on the net basis.

(d) Termination Benefits :

Termination benefits such as compensation under voluntary retirement scheme are recognised in the year in which termination benefits become payable.

3.18. Share-based payments

Employees (including senior executives) of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions:

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Cash-settled transactions:

In case of cash-settled transactions, a liability is recognised for the fair value of cash-settled transactions. The fair value is measured initially and at each reporting date up to and including the settlement date, with changes in fair value recognised in employee benefits expense. The fair value is expensed over the period until the vesting date with recognition of a corresponding liability. The fair value is determined with the assistance of an external valuer.

3.19. 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.

The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the standalone financial statements by the Board of Directors.

3.20. Dividend

The Company recognises a liability (including tax thereon) to make cash or non-cash distributions to equity shareholders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the Statement of Profit and Loss.

3.21. Provisions and Contingencies

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When the Company expects some or all of a provision to be reimbursed from third parties, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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 recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognised but disclosed in the standalone financial statements when an inflow of economic benefits is probable.

3.22. Non-current assets held for sale/ distribution to owners and discontinued operations

The Company classifies non-current assets (or disposal group) as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

The criteria for held for sale classification is regarded met only when the assets is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset is being actively marketed for sale at a price that is

reasonable in relation to its current fair value,

- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification , and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

An impairment loss is recognised for any initial or subsequent write-down of the assets to fair value less cost to sell. A gain is recognised for any subsequent increases in the fair value less cost to sell of an assets but not in excess of the cumulative impairment loss previously recognised, A gain or loss previously not recognised by the date of sale of the non-current assets is recognised on the date of de-recognition.

Property, plant and equipment and intangible assets once classified as held for sale/ distribution to owners are not depreciated or amortised.

A discontinued operation qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations,
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
- Is a subsidiary acquired exclusively with a view to resale

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

3.23. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

4. Critical accounting estimates and assumptions

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

4.1. Estimates and assumption

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) Useful life of Property, plant and equipment and Intangible Assets

As described in Note 3.6 and 3.9 of the significant accounting policies, the Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period.

(b) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

(c) Provisions and contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS. A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Where the effect of time value of money is material, provisions are determined by discounting the expected future cash flows.

The Company has significant capital commitments in relation to various capital projects which are not recognized on the balance sheet. In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the standalone financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Company involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

(d) Defined benefit plans

The determination of Company's liability towards defined benefit obligation to employees is made through

Notes to the Standalone Financial Statements

independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the standalone financial statements.

Further details about defined benefit obligations are provided in Note 30.

(e) Revenue recognition

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price

The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Notes to the Standalone Financial Statements

Note 5 : Property, plant and equipment

(₹ in Lakhs)

Particulars	Freehold Land	Leasehold Land	Building	Plant & Machinery	Furniture & Fixture	Vehicles	Office Equipment	Computer, Server & Network	Total	Capital Work in Progress
Gross Carrying Amount										
As at April 1, 2021	**4,217.73**	**4,814.26**	**5,680.27**	**5,583.44**	**92.09**	**255.48**	**49.68**	**56.64**	**20,749.59**	**153.57**
Additions	-	-	121.23	171.70	0.26	10.08	3.20	1.07	307.54	1,107.07
Deductions (refer note 1)	-	17.23	-	7.80	0.14	10.34	-	-	35.51	-
As at April 1, 2022	**4,217.73**	**4,797.03**	**5,801.50**	**5,747.34**	**92.21**	**255.22**	**52.88**	**57.71**	**21,021.62**	**1,260.64**
Additions	-	-	920.36	1,712.77	1.61	38.99	2.59	18.87	2,695.19	-
Deductions (refer note 1)	-	17.22	1.10	6.68	33.62	20.24	-	0.38	79.24	1,226.23
As at March 31, 2023	**4,217.73**	**4,779.81**	**6,720.76**	**7,453.43**	**60.20**	**273.97**	**55.47**	**76.20**	**23,637.57**	**34.41**
Accumulated Depreciation and Impairment										
As at April 1, 2021	**-**	**-**	**360.76**	**1,375.65**	**49.27**	**91.44**	**29.91**	**37.03**	**1,944.06**	**-**
Depreciation for the year	-	-	216.10	525.15	7.62	29.31	6.42	5.44	790.04	-
Deductions	-	-	-	0.07	0.13	3.35	-	-	3.55	-
As at April 1, 2022	**-**	**-**	**576.86**	**1,900.73**	**56.76**	**117.40**	**36.33**	**42.47**	**2,730.55**	**-**
Depreciation for the year	-	-	231.14	596.50	6.75	29.09	5.44	7.05	875.97	-
Deductions	-	-	0.03	2.07	25.04	10.43	-	-	37.57	-
As at March 31, 2023	**-**	**-**	**807.97**	**2,495.16**	**38.47**	**136.06**	**41.77**	**49.52**	**3,568.95**	**-**
Net Carrying Amount										
As at March 31, 2023	**4,217.73**	**4,779.81**	**5,912.79**	**4,958.27**	**21.73**	**137.91**	**13.70**	**26.68**	**20,068.62**	**34.41**
As at March 31, 2022	**4,217.73**	**4,797.03**	**5,224.64**	**3,846.61**	**35.45**	**137.82**	**16.55**	**15.24**	**18,291.07**	**1,260.64**

Notes:

1. Deduction of leasehold land represents amortisation.

2. Freehold land includes land of ₹ 3863.33 lakhs given on lease.

3. Title deeds of immovable properties not held in the name of the Company.

Notes to the Standalone Financial Statements

(₹ in Lakhs)

As at 31 March 2023

Particulars	Gross Value of property (₹ In Lakhs)	Title deed held in the name of	Relation with Title holder	Property held since	Reason for not being held in the name of the company
Freehold Land	3863.33	Anveshan Heavy Engineering Limited	Old name of the Company	January 2019	The title deed is in the name of the Company's old name

As at 31 March 2022

Particulars	Gross Value of property (₹ In Lakhs)	Title deed held in the name of	Relation with Title holder	Property held since	Reason for not being held in the name of the company
Freehold Land	3863.33	Anveshan Heavy Engineering Limited	Old name of the Company	January 2019	The title deed is in the name of the Company's old name.

4 Capital work-in-progress

Ageing of Capital Work-in-progress

As at 31 March 2023

Capital work-in-Progress	Amount in Capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	34.41	-	-	-	34.41
Projects temporarily suspended	-	-	-	-	-
Total	**34.41**	**-**	**-**	**-**	**34.41**

As at 31 March 2022

Capital work-in-Progress	Amount in Capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,146.14	114.50	-	-	1,260.64
Projects temporarily suspended	-	-	-	-	-
Total	**1,146.14**	**114.50**	**-**	**-**	**1,260.64**

Notes to the Standalone Financial Statements

(₹ in Lakhs)

Note 6 : Intangible assets

Particulars	Computer Software	Patent & Technical Knowhow	Licenses	Total
Gross Carrying Amount				
As at April 1, 2021	**53.90**	**11.36**	**3,500.00**	**3,565.26**
Additions	-	-	-	-
Deductions	-	-	-	-
As at April 1, 2022	**53.90**	**11.36**	**3,500.00**	**3,565.26**
Additions	15.46	-	-	15.46
Deductions	7.53	-	-	7.53
As at March 31, 2023	**61.83**	**11.36**	**3,500.00**	**3,573.19**
Accumulated Depreciation				
As at April 1, 2021	**44.40**	**11.36**	**1,137.50**	**1,193.26**
Amortisation for the year	1.95	-	350.00	351.95
Deductions	-	-	-	-
As at April 1, 2022	**46.35**	**11.36**	**1,487.50**	**1,545.21**
Amortisation for the year	10.86	-	350.00	360.86
Deductions	2.97	-	-	2.97
As at March 31, 2023	**54.24**	**11.36**	**1,837.50**	**1,903.10**
Net Carrying Amount				
As at March 31, 2023	**7.59**	**-**	**1,662.50**	**1,670.09**
As at March 31, 2022	**7.55**	**-**	**2,012.50**	**2,020.05**

Note 7 : Financial assets

7 (a) Investments

Particulars	Face Value per Share (in ₹)	No. of Shares		Amount	
		As at March 31, 2023	As at March 31, 2022	**As at March 31, 2023**	As at March 31, 2022
Non - Current					
a) Investments in equity shares (fully paid up)					
Subsidiaries - measured at cost (unquoted)					
Anup Heavy Engineering Limited	10	30,150	30,150	**2,016.00**	2,016.00
Total Non-current Investments in equity shares				**2,016.00**	2,016.00
Aggregate amount of quoted investments				**-**	-
Aggregate amount of unquoted investments				**2,016.00**	2,016.00
Aggregate impairment in value of investment				**-**	-

Notes to the Standalone Financial Statements

(₹ in Lakhs)

7 (b) Trade receivables - Current

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good	**14,856.24**	12,479.55
Unsecured, Considered Doubtful	**78.14**	348.86
	14,934.38	12,828.41
Less: Allowance for Doubtful Debts	**(78.14)**	(348.86)
Total Trade receivables	**14,856.24**	12,479.55

Notes:

1. No trade receivables are due from directors or other officers of the Company either severally or jointly with any person nor any trade receivables are due from firms or private companies respectively in which any director is a director, a partner or a member.
2. Trade receivables are non-interest bearing and are generally on terms of 30 to 180 days.

3. Allowance for doubtful debts

Allowance for doubtful debts based on the lifetime expected credit loss model using provision matrix. Movement in allowance for doubtful debt are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Balance as per last financial statements	**348.86**	162.82
Less: Utilised during the year	**(252.77)**	-
Less: Excess allowance written back (Refer Note 18)	**(17.95)**	-
Add/(Less): Allowance for the year (Refer Note 24)	**-**	186.04
Total Trade receivables	**78.14**	348.86

4 Trade receivables ageing Schedule:

As at March 31, 2023

Particulars	Unbilled Dues	Not due	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	
Undisputed Trade receivables - Considered Good	816.35	11,711.79	1,843.67	406.19	78.24	-	-	14,856.24
Undisputed Trade receivables - which have significant increase in risk	-	-	-	-	-	-	-	-
Undisputed Trade receivables - credit impaired	-	-	-	-	78.14	-	-	78.14
Disputed Trade receivables - Considered Good	-	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in risk	-	-	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-	-
Total	**816.35**	**11,711.79**	**1,843.67**	**406.19**	**156.38**	**-**	**-**	**14,934.38**

Notes to the Standalone Financial Statements

(₹ in Lakhs)

As at March 31, 2022

Particulars	Unbilled Dues	Not due	Outstanding for following periods from due date of payment: Less than 6 Months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables - Considered Good	-	9,530.13	2,274.31	535.91	245.15	132.80	110.11	12,828.41
Undisputed Trade receivables - which have significant increase in risk	-	-	-	-	-	-	-	-
Undisputed Trade receivables - credit impaired	-	-	-	-	121.27	117.48	110.11	348.86
Disputed Trade receivables - Considered Good	-	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in risk	-	-	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-	-
Total	**-**	**9,530.13**	**2,274.31**	**535.91**	**366.42**	**250.28**	**220.22**	**13,177.27**

7 (c) Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Cash on hand	**0.55**	0.36
Balance with Banks		
In Current accounts	**0.58**	4.68
In Cash credit accounts	**31.68**	93.41
In Fixed Deposit with original maturity of less than 3 months	**3,075.00**	848.00
Total cash and cash equivalents	**3107.81**	946.45

7 (d) Other bank balance

Particulars	As at March 31, 2023	As at March 31, 2022
Deposits held as Margin Money*	**11.47**	11.15
Fixed Deposit with Banks with original maturity of more than 3 months but less then 12 months	**-**	4,039.11
Unpaid Dividend account#	**42.70**	33.21
Unpaid Fractional Share account^	**96.65**	96.75
Total other bank balances	**150.82**	4180.22

* Under lien with bank as Security for Guarantee given by the bankers.
# The company can utilised this balance towards payment of unpaid dividend only.
^ The company can utilised this balance towards payment of fractional shares only.

Notes to the Standalone Financial Statements

(₹ in Lakhs)

7 (e) Other financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good unless otherwise stated		
Non-Current		
Deposits held as Margin Money*	**170.50**	149.35
Security deposits	**92.41**	68.68
Total Non-Current Other Financial Asset (A)	**262.91**	218.03
Current		
Interest receivable	**18.17**	50.60
Total Current Other Financial Asset (B)	**18.17**	50.60
Total (A) + (B)	**281.08**	268.63

* Under lien with bank as Security for Guarantee given by the bankers.

7 (f) Loans

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good unless otherwise stated		
Non-Current		
Loans to		
- Related Party (Refer note 31)	**1,245.22**	-
Total Non-Current Loans (A)	**1,245.22**	-
Current		
Loans to		
- Related Party (Refer note 31)	**2,500.00**	-
Total Current Loans (B)	**2,500.00**	-
Total (A) + (B)	**3,745.22**	-

(a)	Loans to Directors or to firm / Private company where director is interested.	**-**	-
(b)	Loans to Related Parties that are repayable on Demand :		

Borrower	Year ended March 31, 2023		Year ended March 31, 2022	
	Loan Outstanding	Loan Outstanding %	Loan Outstanding	Loan Outstanding %
Promoters	**-**	**-**	-	-
Directors	**-**	**-**	-	-
Key Management Personnel	**-**	**-**	-	-
Related Parties	**-**	**-**	-	-

Notes to the Standalone Financial Statements

(₹ in Lakhs)

Note 8 : Other Non-Current / Current Assets

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good unless otherwise stated		
Capital Advances	47.35	760.75
Pre-paid expense	2.65	1.31
Other than capital advances		
Advances to suppliers, doubtful	5.85	9.16
Less: Allowance for doubtful advances	(5.85)	(9.16)
Total	**50.00**	762.06

Advance to Directors or to firm / Private company where director is interested	-	-

Provision for Doubtful Advances

Movement in provision for doubtful advances:

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	**9.16**	5.71
Less: Excess allowance written back (Refer Note 18)	(3.31)	-
Add/(Less): Allowance for the year (Refer Note 24)	-	3.45
Balance at the end of the year	**5.85**	9.16

Note 9 : Inventories (At lower of cost and net realisable value)

Particulars	As at March 31, 2023	As at March 31, 2022
Raw materials	4,723.89	2,300.17
Stores and spares	312.87	202.12
Work-in-progress	7,652.90	6,504.37
Waste	2.18	13.03
Total	**12,691.84**	9,019.69

Inventory write downs are accounted, considering the nature of inventory, ageing and net realisable value for ₹ 119.66 Lakhs (March 31, 2022 ₹ 128.40 Lakhs). The changes in write downs are recognised as an expense in the Statement of Profit and Loss.

Note 10 : Other Current Assets

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, Considered Good unless otherwise stated		
Advance to suppliers	694.70	633.66
Balance with Government Authorities (Refer Note below (i))	-	51.31
Export incentive receivable	31.79	119.48
Pre-paid expense	1,364.40	441.67
Total	**2,090.89**	1,246.12

Advance to Directors or to firm / Private company where director is interested.

(i) Balance with Government Authorities mainly consist of input credit availed.

Notes to the Standalone Financial Statements

(₹ in Lakhs)

Note 11 : Equity share capital

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	₹ in Lakh	No. of shares	₹ in Lakh
Authorised share capital				
Equity shares of ₹ 10/- each	**6,52,50,000**	**6,525.00**	6,52,50,000	6,525.00
Issued, subscribed and paid-up share capital				
Equity shares of ₹ 10/- each	**98,96,150**	**989.62**	98,81,150	988.12
Total	**98,96,150**	**989.62**	98,81,150	988.12

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

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	₹ in Lakh	No. of shares	₹ in Lakh
Outstanding at the beginning of the year	**98,81,150**	**988.12**	98,31,150	983.12
Add: Issued during the year under ESOP	**15,000**	**1.50**	50,000	5.00
Less: Shares extinguished on buy-back	**-**	**-**	-	-
Changes in Equity Share Capital during the year	**15,000**	**1.50**	50,000	5.00
Outstanding at the end of the year	**98,96,150**	**989.62**	98,81,150	988.12

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

The Company has one class of shares having par value of ₹ 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, 2023	
	No. of shares	% of shareholding
Aura Securities Private Limited	**35,51,617**	**35.89%**

Name of the Shareholder	As at March 31, 2022	
	No. of shares	% of shareholding
Aura Securities Private Limited	35,51,617	35.94%
Abakkus Emerging Opportunities Fund-1	5,65,000	5.72%

(iv) Shareholding of Promoters

Sr. No.	Promoters	As at March 31, 2023 No. of shares	% of total shares	% change during the year
1	Aura Securities Private Limited	35,51,617	35.89	-
2	Aura Business Ventures LLP	3,33,329	3.37	-
3	Jayshreeben Sanjaybhai Lalbhai	5,023	0.05	-
4	Kulin Sanjaybhai Lalbhai	1,960	0.02	-
5	Sanjaybhai Shrenikbhai Lalbhai	1,456	0.01	-
6	Punit Sanjaybhai Lalbhai	137	0.00	-
	Promoter Group			
7	Atul Limited	1,52,869	1.54	-
8	Aagam Holdings Private Limited	97,491	0.99	-
9	Arvind Farms Pvt Ltd	55,189	0.56	-
10	Samvegbhai Arvindbhai (Karta)	7,476	0.08	-
11	Snehal Mohta	7,000	0.07	-
12	Adore Investments Private Limited	6,775	0.07	-
13	Kalpana Shripal Morakhia	4,928	0.05	-
14	Anusandhan Investments Limited	4,259	0.04	-
15	Amardeep Holdings Private Limited	3,490	0.04	-
16	Aayojan Resources Private Ltd	3,370	0.03	-
17	Saumya Samvegbhai Lalbhai	2,863	0.03	-
18	Swati S Lalbhai	2,795	0.03	-
19	Taral S Lalbhai	2,642	0.03	-
20	Sunil Siddharth Lalbhai	2,581	0.03	-
21	Vimla S Lalbhai	2,577	0.03	-
22	Samvegbhai Arvindbhai Lalbhai	1,344	0.01	-
23	Hansa Niranjanbhai	1,010	0.01	-
24	Adhinami Investments Private Limited	685	0.01	-
25	Badlani Manini Rajiv	264	0.00	-
26	Astha Lalbhai	71	0.00	-
27	Akshita Holdings Private Limited	5	0.00	-
28	Aura Business Enterprise Pvt Ltd	3	0.00	-
29	Aura Merchandise Pvt. Ltd.	3	0.00	-
30	Aura Securities Pvt Ltd	3	0.00	-

Notes to the Standalone Financial Statements

(iv) Shareholding of Promoters

Sr. No.	Promoters	As at March 31, 2022		
		No. of shares	**% of total shares**	**% change during the year**
1	Aura Securities Private Limited	35,51,617	35.94	-
2	Aura Business Ventures LLP	3,33,329	3.37	-
3	Jayshreeben Sanjaybhai Lalbhai	5,023	0.05	-
4	Kulin Sanjaybhai Lalbhai	1,960	0.02	-
5	Sanjaybhai Shrenikbhai Lalbhai	1,456	0.01	-
6	Punit Sanjaybhai Lalbhai	137	0.00	-
	Promoter Group			
7	Atul Limited	1,52,869	1.55	-
8	Aagam Holdings Private Limited	97,491	0.99	-
9	Arvind Farms Pvt Ltd	55,189	0.56	-
10	Samvegbhai Arvindbhai (Karta)	7,476	0.08	-
11	Snehal Mohta	7,000	0.07	-
12	Adore Investments Private Limited	6,775	0.07	-
13	Kalpana Shripal Morakhia	4,928	0.05	-
14	Anusandhan Investments Limited	4,259	0.04	-
15	Amardeep Holdings Private Limited	3,490	0.04	-
16	Aayojan Resources Private Ltd	3,370	0.03	-
17	Saumya Samvegbhai Lalbhai	2,863	0.03	-
18	Swati S Lalbhai	2,795	0.03	-
19	Taral S Lalbhai	2,642	0.03	-
20	Sunil Siddharth Lalbhai	2,581	0.03	-
21	Vimla S Lalbhai	2,577	0.03	-
22	Samvegbhai Arvindbhai Lalbhai	1,344	0.01	-
23	Hansa Niranjanbhai	1,010	0.01	-
24	Adhinami Investments Private Limited	685	0.01	-
25	Badlani Manini Rajiv	264	0.00	-
26	Astha Lalbhai	71	0.00	-
27	Akshita Holdings Private Limited	5	0.00	-
28	Aura Business Enterprise Pvt Ltd	3	0.00	-
29	Aura Merchandise Pvt. Ltd.	3	0.00	-
30	Aura Securities Pvt Ltd	3	0.00	-

(iv) Shares reserved for issue under options and contracts:

Refer Note 33 for details of shares to be issued under employee stock option Scheme (ANUP ESOS 2019).

(v) In the period of five years immediately preceding March 31, 2023:

i) The Company has allotted 1,01,93,962 shares of ₹ 10/- each as fully paid without payment being received in cash pursuant to the Scheme of Arrangement sanctioned by National Company Law Tribunal vide its order dated October 26, 2018 between Arvind Limited, Arvind Fashion Limited, the Company and The Anup Engineering Limited in the year 2018-2019.

ii) The Company has not allotted any equity shares by way of bonus issue.

iii) Equity shares extinguished on buy-back

The Company has bought back 3,87,850 equity shares at an average price of ₹ 642.50 per equity share for an aggregate consideration of ₹ 2492.11 Lakhs excluding Transaction Costs. The buy-back commenced on February 24, 2021 and closed on March 15, 2021. All the shares bought back have been extinguished as per the records of the depositories.

(vi) Objective, policy and procedure of capital management, refer Note 39.

Note 12 : Other Equity

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Capital reserve		
Balance as per last financial statements	**5.00**	5.00
Balance at the end of the year	**5.00**	5.00
(b) Capital redemption reserve		
Balance as per last financial statements	**38.78**	38.78
Balance at the end of the year	**38.78**	38.78
(c) Securities premium account		
Balance as per last financial statements	**17,994.32**	17,891.22
Add: Received during the year	**21.23**	70.72
Add: Transfer from Share based payment reserve	**9.72**	32.38
Balance at the end of the year	**18,025.27**	17,994.32
(d) Share based payment reserve (Refer Note 33)		
Balance as per last financial statements	**103.99**	97.45
Add: Addition during the year (Refer Note 21)	**43.13**	38.92
Less: Transfer to Securities premium account	**(9.72)**	(32.38)
Balance at the end of the year	**137.40**	103.99
(e) Retained earnings		
Balance as per last financial statements	**20,314.80**	14,723.46
Add: Profit for the year	**5,463.03**	6,285.24
Less: Dividend paid during the year#	**(790.49)**	(689.58)
Add: Other comprehensive gain/(loss) for the year	**8.62**	(4.32)
Balance at the end of the year	**24,995.96**	20,314.80
Total Other Equity	**43,202.41**	38,456.89

Dividend on equity shares paid during the year ended	**March 31, 2023**	March 31, 2022
Final dividend for the financial year	**2021-22**	2020-21
Final dividend [₹ 8.00 (previous year: ₹ 7.00) per equity share of ₹ 10.00 each]	**790.49**	689.58

Note: Board of Directors of the Company has proposed final dividend of ₹ 15.00 per equity share for the financial year 2022-23. Proposed dividend on equity shares are subject to approval at the Annual General Meeting and hence not recognized as a liability as at 31 March, 2023. No interim dividend was declared and paid during the financial year 2022-23.

The description of the nature and purpose of each reserve within equity is as follows:

a. Capital reserve

Capital Reserve is created due to amalgamation/Business Combinations.

b. Capital Redemption Reserve

As per Companies Act, 2013, capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve.

c. Securities premium account

Securities premium reserve is created due to premium on issue of shares. These reserve is utilised in accordance with the provisions of the Companies, Act.

d. Share based payment reserve

This reserve relates to share options granted by the Company to its employee share option plan. Further information about share-based payments to employees is set out in Note 33.

e. Retained Earning

Retained earnings are the profits that the Company has earned till date, less any transfer to general reserve, dividends or other distributions to shareholders.

Notes to the Standalone Financial Statements

Note 13 : Financial liabilities

13 (a) Trade payable

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Current		
Total outstanding dues of micro enterprises and small enterprises	**62.45**	30.85
Total outstanding dues of creditors other than micro enterprises and small enterprises		
Due to related parties (Refer note 31)	**94.02**	2.22
Due to others	**5,938.35**	4,154.13
Total	**6,094.82**	4,187.20

Note

(i) Information required to be furnished as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and Schedule III of the Companies Act, 2013 for the year ended March 31, 2023. This information has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by auditors.

Particulars	As at March 31, 2023	As at March 31, 2022
(a) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year:		
i) Principal	**62.45**	30.85
ii) Interest	**-**	-
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	**-**	-
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified- under the Micro, Small and Medium Enterprises Development Act, 2006;	**-**	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	**-**	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	**-**	-

(b) Trade payables ageing Schedule:

As at 31 March 2023

Particulars	Not due	Outstanding for following periods from due date of Payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	62.45	-	-	-	-	62.45
Others	3,019.95	2,989.17	7.45	15.80	-	6,032.37
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
Unbilled dues	-	-	-	-	-	-
Total	**3,082.40**	**2,989.17**	**7.45**	**15.80**	**-**	**6,094.82**

As at 31 March 2022

(₹ in Lakhs)

Particulars	Not due	Outstanding for following periods from due date of Payment: Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	30.85	-	-	-	-	30.85
Others	1,307.08	2,797.94	31.30	0.83	19.20	4,156.35
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
Unbilled dues	-	-	-	-	-	-
Total	**1,337.93**	**2,797.94**	**31.30**	**0.83**	**19.20**	**4,187.20**

13 (b) Other financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Current		
Payable to employees	**237.42**	131.47
Deposits from vendors, customers	**8.00**	3.40
Unpaid Dividend*	**42.70**	33.21
Unpaid Fractional Share amount*	**96.65**	96.75
Total	**384.77**	264.83

*As on March 31, 2023, there is no amount due and outstanding to be transferred to the Investor Education & Protection Fund (IEPF) (Previous year March 31, 2022; ₹ Nil).

Note 14 : Provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Long-term		
Provision for employee benefits (Refer note 30)		
Provision for Gratuity	**-**	33.43
	-	33.43
Short-term		
Provision for employee benefits (Refer note 30)		
Provision for leave encashment	**-**	13.11
Provision for Gratuity	**73.89**	50.54
	73.89	63.65
Total	**73.89**	97.08

Note 15 : Other current liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Advance from customers	**7,207.86**	6,236.99
Statutory dues (provident fund, GST and tax deducted at source etc.)	**57.01**	56.55
Other liabilities	**0.33**	0.27
Total	**7,265.20**	6,293.81

Notes to the Standalone Financial Statements

(₹ in Lakhs)

Note 16 : Current Tax Liabilities (Net)

Particulars	As at March 31, 2023	As at March 31, 2022
Current tax liabilities (Net of advance)	1,542.53	1,037.49
Total	1,542.53	1,037.49

Note 17 : Revenue from operations

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Sale of products	40,314.54	27,606.85
Sale of services	90.66	381.86
	40,405.20	27,988.71
Other Operating income		
Waste sale	645.57	689.69
Export incentives	51.29	68.38
Foreign exchange fluctuation on vendors and customers	31.75	77.38
	728.61	835.45
Total	41,133.81	28,824.16

Disaggregation of Revenue from contracts with customers

Revenue based on Geography

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Domestic	33,269.07	26,072.68
Export	7,864.74	2,751.48
Revenue from Operations	41,133.81	28,824.16

Revenue based on business segment

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Engineering Products	41,133.81	28,824.16
Revenue from Operations	41,133.81	28,824.16

Reconciliation of revenue from operation with contract price

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Revenue from contract with customers as per the contract price	41,133.81	28,913.06
Adjustment made to contract price on account of:		
Less: Sales Return	-	88.90
Revenue from Operations	41,133.81	28,824.16

Notes to the Standalone Financial Statements

(₹ in Lakhs)

Note 18 : Other income

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Interest income on financial assets measured at amortised cost		
- Fixed Deposits	89.21	164.02
- Loans and Advances	250.62	10.39
- Others	1.48	193.38
Sundry Credit balances appropriated	7.64	7.15
Profit on sale of Property, Plant & Equipment	-	1.87
Lease income	69.38	69.38
Insurance claim	-	1.59
Provision for doubtful advance no longer required	3.31	
Provision for doubtful receivable no longer required	17.95	-
Miscellaneous income	-	6.24
Total	**439.59**	454.02

Note 19 : Cost of raw materials consumed

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Inventory at the beginning of the year	2,300.17	2,080.43
Add : Purchases during the year	25,744.52	16,492.25
	28,044.69	18,572.68
Less : Inventory at the end of the year	4,723.89	2,300.17
Total	**23,320.80**	16,272.51

Note 20 :Changes in inventories of finished goods and work-in-progress

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Inventories at the end of the year		
Waste	2.18	13.03
Work-in-Progress	7,652.90	6,504.37
	7,655.08	6,517.40
Inventories at the beginning of the year		
Waste	13.03	-
Work-in-Progress	6,504.37	4,261.55
	6,517.40	4,261.55
(Increase) / Decrease in Inventories	**(1,137.68)**	(2,255.85)
Total	**(1,137.68)**	(2,255.85)

Notes to the Standalone Financial Statements

(₹ in Lakhs)

Note 21 : Employee benefits expense

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Salaries, Wages, Gratuity, Bonus and Commission (Refer Note 30)	1,784.14	1,811.82
Contribution to provident and other funds (Refer Note 30)	145.03	96.50
Staff welfare and training expenses	123.48	88.24
Share based payment to employees (Refer Note 33)	43.13	38.92
Total	2,095.78	2,035.48

Note 22 : Finance costs

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Interest expense on Financial Liabilities measured at amortised cost		
- Others	8.12	24.83
Interest on shortfall in payment of advance income-tax	0.23	-
Other borrowing cost	130.98	78.30
Total	139.33	103.13

Note 23 : Depreciation and amortization expense

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Depreciation on Property, Plant and Equipments (Refer Note 5)	893.19	807.27
Amortization of Intangible assets (Refer Note 6)	360.86	351.95
Total	1,254.05	1,159.22

Notes to the Standalone Financial Statements

Note 24 : Other expenses

(₹ in Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Power and fuel	**356.51**	272.16
Stores and spares consumed	**670.85**	743.37
Labour and Job Work Charges	**3,422.22**	2,695.21
Lease rent for Low-value assets (Refer Note 34)	**12.06**	63.63
Royalty	**1,912.26**	298.22
Insurance premium	**72.77**	72.28
Printing, stationery and communication	**42.61**	32.36
Commission, Brokerage and Discount	**72.68**	21.28
Rates and taxes	**7.73**	8.91
Repairs :		
To Building	**16.81**	14.88
To Machineries	**308.41**	232.63
To Others	**101.79**	80.34
Freight, insurance and clearing charge	**452.96**	356.34
Inspection Fees	**132.65**	150.99
Advertisement and sales promotion	**13.54**	16.63
Retainer expenses	**77.02**	67.02
Legal and Professional charges	**51.84**	60.74
Expenditure under CSR Activity (Refer Note 35)	**127.00**	127.50
Conveyance and Travelling expenses	**47.44**	20.54
Director's sitting fees	**5.70**	4.80
Director's commission	**27.00**	27.00
Loss on sale of Property, Plant & Equipment	**3.83**	-
Liquidated Damages	**183.59**	-
Allowance for doubtful debts (Refer Note 7(b))	**-**	186.04
Allowance for doubtful Advances (Refer Note 8)	**-**	3.45
Property, Plant & Equipment written off	**7.71**	-
Payment to auditors (refer note (i) below)	**20.50**	21.59
Bank charges	**114.43**	88.01
Security expenses	**43.47**	37.28
Miscellaneous expenses (refer note (ii) below)	**275.89**	68.47
Total	**8,581.27**	5,771.67

(i) Break up of Auditor's remuneration

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Payment to Auditors as		
For statutory audit	**9.50**	8.29
For tax audit	**1.55**	1.55
For Other Services	**8.27**	10.64
For reimbursement of expenses	**1.18**	1.11
Total	**20.50**	21.59

(ii) The Company made a contribution to an electoral trust of ₹ 200 Lakhs and ₹ Nil for the years ended March 31, 2023 and March 31, 2022 respectively, which is included in Miscellaneous expenses.

Notes to the Standalone Financial Statements

(₹ in Lakhs)

Note 25 : Income tax

The major component of income tax expense for the years ended March 31, 2023 and March 31, 2022 are as follows:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Statement of Profit and Loss		
Current income tax	**1,815.00**	1,545.00
Excess Provision for earlier year	**-**	(1,557.37)
Net deferred tax expense/(credit)	**41.82**	(80.85)
Income tax expense in the Statement of Profit and Loss	**1,856.82**	(93.22)
Statement of Other comprehensive income (OCI)		
Deferred tax expense/(credit)	**2.90**	(1.45)
Income tax expense/(credit) recognised in OCI	**2.90**	(1.45)

Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate for the year ended March 31, 2023 and March 31, 2022.

A. Current tax

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Accounting profit before tax	**7,319.85**	6,192.02
Tax Rate	**25.17%**	25.17%
Current tax expenses on Profit before tax expenses at the enacted income tax rate in India	**1,842.41**	1,558.53
Adjustment		
On account of revaluation of tax base of non-depreciable assets (due to indexation benefit)	**(36.64)**	(41.88)
Expenditure not deductible for tax/not liable to tax	**82.42**	-
(Excess)/Short Provision for earlier year	**-**	(1,557.37)
Other Adjustment	**(31.37)**	(52.50)
Total income tax expense	**1,856.82**	(93.22)
Effective tax rate	25.37%	-1.51%

(₹ in Lakhs)

B. Deferred tax

The Company has accrued significant amounts of deferred tax. The majority of the deferred tax liability represents accelerated tax relief for the depreciation of property, plant and equipment. Significant components of Deferred tax (assets) & liabilities recognized in the financial statements of the Company as follows:

Particulars	Balance Sheet as at		Statement of Profit and Loss and OCI for the year ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Accelerated depreciation for tax purposes	(1,002.48)	(992.98)	9.50	12.46
Impact of fair valuation of Land	(279.23)	(315.87)	(36.64)	(41.88)
Expenditure allowable on payment basis	16.21	24.43	8.22	(6.63)
Expenditure allowable over the period (Section 35D)	-	3.08	3.08	3.08
Others	55.72	116.28	60.56	(49.33)
Deferred tax expense/(income)			**44.72**	**(82.30)**
Net deferred tax liabilities	**(1,209.78)**	**(1,165.06)**		
Reflected in the balance sheet as follows				
Deferred tax liabilities	(1,281.71)	(1,308.85)		
Deferred tax assets	71.93	143.79		
Deferred tax liabilities (net)	**(1,209.78)**	**(1,165.06)**		

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Note 26 : Contingent liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Contingent liabilities not provided for		
(i) Guarantees given by banks on behalf of the Company	**19,311.69**	17,415.71
(ii) Guarantees given to bank on behalf of Subsidiary Company	**3,434.05**	-
(iii) Charter of demands made by contract workers, pending for disposal at labour court	**No reliable estimate can be made**	No reliable estimate can be made
(iii) Disputed Demands in respect of:		
Income tax (Refer notes below)	**113.20**	53.90

Notes :

(a) It is not practicable for the Company to estimate the timing of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.

(b) The Company does not expect any reimbursements in respect of the above contingent liabilities.

(c) The Company believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations.

Note 27 : Capital commitment and other commitments

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Capital commitments	**220.64**	84.23
(b) Other commitments	**-**	-

Notes to the Standalone Financial Statements

Note 28 :Foreign Exchange Derivatives and Exposures not Hedged

The Company holds derivative financial instruments such as foreign currency forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counter party for these contracts is generally a bank.

All derivative financial instruments are recognized as assets or liabilities on the balance sheet and measured at fair value. The accounting for changes in the fair value of a derivative instrument depends on the intended use of the derivative and the resulting designation.

The fair values of all derivatives are separately recorded in the balance sheet within current and non-current assets and liabilities depending upon the maturity of the derivatives.

The use of derivative instruments is subject to limits, authorities and regular monitoring by appropriate levels of management. The limits, authorities and monitoring systems are periodically reviewed by management and the Board. The market risk on derivatives is mitigated by changes in the valuation of the underlying assets, liabilities or transactions, as derivatives are used only for risk management purposes.

However, the Company does not have any of derivative contracts outstanding as at reporting date.

Exposure Not Hedged

Nature of exposure		As at March 31, 2023		As at March 31, 2022	
	Currency	Foreign Currency	₹ in Lakhs	Foreign Currency	₹ in Lakhs
Receivables	USD	**14,17,417.58**	**1,164.69**	9,66,033.35	732.18
Payable to creditors	USD	**1,51,877.00**	**124.80**	6,09,168.31	461.70
	EURO	**21,197.40**	**18.96**	20,189.60	17.00

Note 29 : Segment Reporting

Identification of Segments:

The chief operational decision maker monitors the operating results of its Business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the company.

Operating Segment:

The Company's business activity falls within a single operating business segment of Engineering products.

Geographical segment

Geographical segment is considered based on sales within India and rest of the world.

(₹ in Lakhs)

Particulars	For the Year Ended/As at March 31, 2023	For the Year Ended/As at March 31, 2022
Segment Revenue*		
(a) In India	**33,269.07**	26,072.68
(b) Rest of the world	**7,864.74**	2,751.48
Total	**41,133.81**	28,824.16
Carrying Cost of Segment Non Current Assets@		
(a) In India	**21,823.12**	22,333.82
(b) Rest of the world	**-**	-
Total	**21,823.12**	22,333.82

* Based on location of Customers

@ Other than financial assets.

Information about major customers:

Considering the nature of business of Company in which it operates, the Company deals with various customers including multiple geographics. Company's revenue from sales exceeding 10% is from two (2) of its customers and its aggregate value is ₹ 16,760.58 Lakhs (March 31, 2022 : three (3) customers, ₹ 17,664.70 Lakhs).

Note 30 : Disclosure pursuant to Employee benefits

A. Defined contribution plans:

Amount of ₹ 87.17 Lakhs (March 31, 2022: Rs. 70.94 lakhs) is recognised as expenses and included in Note No. 21 "Employee benefit expense".

(₹ in Lakhs)

Particulars	**Year Ended March 31, 2023**	Year Ended March 31, 2022
Contribution to Provident Fund [Note (a)]	**57.01**	45.78
Contribution to Pension [Note (a)]	**26.88**	22.18
Contribution to Employees' State Insurance [note (b)]	**3.28**	2.98
Total	**87.17**	70.94

Note (a) Employees of the Company receive benefits from a provident fund, which is a defined contribution plan. The eligible employees and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the employees' salary. Amounts collected under the provident fund plan are deposited in a government administered provident fund. The remaining portion is contributed to the government-administered pension fund. Employees of the Company receive benefits from a government administered provident fund, which is a defined contribution plan. The Company has no further obligation to the plan beyond its monthly contributions. Such contributions are accounted for as defined contribution plans and are recognised as employee benefits expenses when they are due in the Statement of profit and loss.

(b) The Company's Employee State Insurance Fund, for all eligible employees, is administered by ESIC Corporation. The Company is required to contribute specified amount to ESIC Corporation and has no further obligations to the same beyond its contribution.

B. Defined benefit plans:

The Company has following post employment benefit plans which are in the nature of defined benefit plans:

Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The Gratuity plan is a Funded plan administered by a Trust and the Company makes contributions to recognised Trust in India.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method. The Company fully contributes all ascertained liabilities to the The Anup Engineering Limited Employees' Gratuity Fund Trust (the Trust). Trustees administer contributions made to the Trusts and contributions are invested in a scheme as permitted by Indian law.

The Company recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligations recognized in other comprehensive income.

Notes to the Financial Statements

Changes in defined benefit obligation and plan assets as at March 31, 2023:

(₹in Lakhs)

Particulars	As at April 1, 2022	Charged to statement of profit and loss			Benefit paid	Remeasurement gains/(losses) in other comprehensive income					Contri-butions by employer	As at March 31, 2023
		Service cost/ (Employers' Contribution)	Net interest expense	Sub-total included in statement of profit and loss (Note 21)		Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demogra-phic assum-ptions	Actuarial changes arising from changes in financial assum -ptions	Actuarial changes arising from changes in Experience adjustments	Sub-total included in OCI		
Gratuity												
Defined benefit obligation	145.68	42.24	10.43	52.67	(8.00)	-	-	4.29	9.68	13.97	-	176.38
Fair value of plan assets	(61.71)	-	(4.36)	(4.36)	8.00	(2.45)	-	-	-	(2.45)	(46.87)	(102.49)
Net Benefit liability/(asset)	**83.97**	**42.24**	**6.07**	**48.31**	**-**	**(2.45)**	**-**	**4.29**	**9.68**	**11.52**	**(46.87)**	**73.89**

Changes in defined benefit obligation and plan assets as at March 31, 2022:

Particulars	As at April 1, 2022	Charged to statement of profit and loss			Benefit paid	Remeasurement gains/(losses) in other comprehensive income					Contri-butions by employer	As at March 31, 2023
		Service cost/ (Employers' Contribution)	Net interest expense	Sub-total included in statement of profit and loss (Note 21)		Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demogra-phic assum-ptions	Actuarial changes arising from changes in financial assum -ptions	Actuarial changes arising from changes in Experience adjustments	Sub-total included in OCI		
Gratuity												
Defined benefit obligation	130.35	20.96	8.85	29.81	(20.04)	-	(0.02)	4.63	(10.17)	(5.56)	-	145.68
Fair value of plan assets	(76.74)	-	(5.22)	(5.22)	20.04	(0.21)	-	-	-	(0.21)	-	(61.71)
Net Benefit liability/(asset)	**53.61**	**20.96**	**3.63**	**24.59**	**-**	**(0.21)**	**(0.02)**	**4.63**	**(10.17)**	**(5.77)**	**-**	**83.97**

The major categories of plan assets of the fair value of the total plan assets of Gratuity are as follows:

Particulars	As at March 31, 2023 (%) of total plan assets	As at March 31, 2022 (%) of total plan assets
Insurance fund	100.00%	100.00%
(%) of total plan assets	**100.00%**	**100.00%**

Notes to the Standalone Financial Statements

The principal assumptions used in determining above defined benefit obligations plans are shown below:

Particulars	As at March 31, 2023	As at March 31, 2022
Discount rate	7.52%	7.23%
Future salary increase	8.00%	8.00%
Expected rate of return on plan assets	7.52%	7.23%
Attrition rate	5.00%	5.00%
Mortality rate during employment	Indian Assured lives Mortality (2012-14) Urban	Indian Assured lives Mortality (2012-14) Urban
Mortality rate after employment	NA	NA

A quantitative sensitivity analysis for significant assumption is as shown below for the defined benefit plan:

(₹ in Lakhs)

Particulars	Sensitivity level	(increase) / decrease in defined benefit obligation (Impact) Year ended March 31, 2023	(increase) / decrease in defined benefit obligation (Impact) Year ended March 31, 2022
Gratuity			
Discount rate	1% increase	(13.44)	(12.65)
	1% decrease	15.64	14.76
Salary increase	1% increase	14.14	12.96
	1% decrease	(12.69)	(12.06)
Attrition rate	1% increase	(0.80)	(1.03)
	1% decrease	0.83	1.13

The above sensitivity analysis may not be representative of the actual benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. In presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period.

In presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

The followings are the expected future benefit payments for the defined benefit plan :

Particulars	As at March 31, 2023	As at March 31, 2022
Gratuity		
Within the next 12 months	16.27	13.48
Between 2 to 5 years	35.66	29.89
Beyond 5 years	321.25	295.67
Total expected payments	373.18	339.04

Notes to the Standalone Financial Statements

(₹ in Lakhs)

Weighted average duration of defined plan obligation (based on discounted cash flows)

Particulars	As at March 31, 2023 In Years	As at March 31, 2022 In Years
Gratuity	**13**	12

Prescribed contribution for next year - ₹ 56.28 Lakhs (Previous year ₹ 50.55 Lakhs)

C. Other Long term employee benefit plans:

Leave encashment

The Company has a policy on leave encashment which are both accumulating and non-accumulating in nature. The expected cost of accumulating leave encashment is determined by actuarial valuation performed by an independent actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the Balance Sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur. The liability of leave encashment is funded through Life Insurance Corporation.

The Company has recognised (₹ 11.16) Lakhs (March 31, 2022: ₹ 14.49 Lakhs) as expenses and included in Note No. 21 "Employee benefit expense".

Note 31 : Disclosure of Related Party Transactions in accordance with Ind AS 24 - Related Party Disclosures

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

(I)	**Subsidiary**	
1	Anup Heavy Engineering Limited	100% subsidiary
(II)	**Key Management Personnel**	
1	Mr. Sanjay S. Lalbhai	Chairman and Non-Executive Director
2	Mr. Punit S. Lalbhai	Vice Chairman and Non-Executive Director
3	Mr. Samveg A. Lalbhai	Non-Executive Director
4	Mr. Arpit K. Patel	Independent Director
5	Mr. Ganpatraj L. Chowdhary	Independent Director
6	Ms.. Reena Bhagwati	Independent Director
7	Mr. Rishi Roop Kapoor (Upto 08.10.2022)	Chief Executive Officer
8	Mr. Bhavesh Shah (Upto 10.04.2023)	Chief Financial Officer
9	Mr. Reginaldo Dsouza (w.e.f. 08.10.2022)	Chief Executive Officer
10	Mr. Nilesh Hirapara (w.e.f. 10.04.2023)	Chief Financial Officer
(III)	**Enterprise over which Key Management Personnel are able to exercise significant influence**	
1	Arvind Limited	
2	Arvind Envisol Limited	
3	Atul Limited	
(IV)	**Trusts**	
1	The Anup Engineering Limited Employees' Gratuity Fund Trust	

Notes to the Standalone Financial Statements

(b) Disclosure in respect of Related Party Transactions : (₹in Lakhs)

Particulars	Subsidiary		Key Management Personnel		Enterprise over which Key Management Personnel are able to exercise significant influence		Trust	
	Year end		Year end		Year end		Year end	
	March 31, 2023	March 31, 2022	**March 31, 2023**	March 31, 2022	**March 31, 2023**	March 31, 2022	**March 31, 2023**	March 31, 2022
(I) Transactions during the year								
Remuneration	**-**	-	**301.50**	481.98	**-**	-	**-**	-
Sitting Fees	**-**	-	**5.70**	4.80	**-**	-	**-**	-
Commission	**-**	-	**27.00**	27.00	**-**	-	**-**	-
Goods purchased	**-**	-	**-**	-	**-**	64.77	**-**	-
Sale of goods	**-**	-	**-**	-	2.11	11.33	**-**	-
Services rendered	**-**	-	**-**	-	103.31	102.48	**-**	-
Reimbursement of expenses	**41.80**	7.09	**-**	-	**-**	-	9.93	5.68
Interest Income	**246.00**	7.87	**-**	-	**-**	-	**-**	-
Loan given	**5,242.43**	2,015.00	**-**	-	**-**	-	**-**	-
Loan repaid	**1,497.21**	2,015.00	**-**	-	**-**	-	**-**	-
Guarantee Given	**5,000.00**	-	**-**	-	**-**	-	**-**	-
Lease Income	**69.38**	69.38	**-**	-	**-**	-	**-**	-
Investment made	**-**	2,015.00	**-**	-	**-**	-	**-**	-
(II) Balances at year end								
Trade and Other Payable	**-**	-	**-**	25.65	**94.02**	2.22	**-**	-
Trade Receivable	**-**	-	**-**	-	**-**	-	**-**	-
Loans	**3,745.22**	-	**-**	-	**-**	-	**-**	-
Investment	**2,016.00**	2,016.00	**-**	-	**-**	-	**-**	-
Guarantee Given	**3,434.05**	-	**-**	-	**-**	-	**-**	-
Other Current Liability	**-**	-	**-**	-	**2.48**	0.16	**-**	-
Other Current Asset	**41.80**	-	**-**	-	**-**	-	**41.85**	31.92

(c) Disclosures pursuant to the Regulation 34(3) read with para A of Schedule V to the SEBI (Listing obligations and disclosure requirements) Regulations, 2015 read with section 186(4) of the Companies Act, 2013.

Loans and Advances in the nature of loans

List of Related Parties	**Purpose**	**Balance as at March 31, 2023**	Balance as at March 31, 2022
Loans and Advances			
Anup Heavy Engineering Limited	Project Funding	**3,745.22**	-
Total(A)		**3,745.22**	-
Corporate Guarantee given on behalf of Anup Heavy Engineering Limited	Facilitate Trade Finance	**3,434.05**	-
Total(B)		**3,434.05**	-
Total(A+B)		**7,179.27**	-

List of Related Parties	**Purpose**	**Maximum Outstanding During**	
		March 31, 2023	March 31, 2022
Loans and Advances			
Anup Heavy Engineering Limited	Project Funding	**4,898.43**	-

Notes to the Standalone Financial Statements

(₹ in Lakhs)

(d) Terms and conditions of transactions with related parties

(1) Transaction entered into with related party are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances other than loan given, at the year-end are unsecured and interest free and settlement occurs in cash.

(2) Loans given to the related party carries interest rate of 8.00% (March 31, 2022: N.A.).

(3) Financial guarantee given to Bank on behalf of subsidiaries carries no charge and are unsecured.

(e) Commitments with related parties

The Company has not provided any commitment to the related party as at March 31, 2023 (March 31, 2022: ₹ Nil)

(f) Transactions with key management personnel

Compensation of key management personnel of the Company

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Short-term employee benefits	**287.67**	463.09
Termination benefits	**13.83**	18.89
Commission to directors	**27.00**	27.00
Total compensation paid to key management personnel	**328.50**	508.98

The amounts disclosed in the table are the amounts recognised as an expense during the reporting period related to key management personnel.

Note 32 : Earning per share

Particulars		Year Ended March 31, 2023	Year Ended March 31, 2022
Earning per share			
Profit attributable to ordinary equity holders	₹ in Lakhs	**5,463.03**	6,285.24
Weighted average number of equity shares for basic EPS (a)	No.	**98,87,931**	98,76,405
Effect of potential Ordinary shares on Employee Stock Options outstanding (b)	No.	**64,234**	60,953
Weighted average number of Ordinary shares in computing diluted earnings per share (a) + (b)	No.	**99,52,165**	99,37,358
Nominal value of equity shares	₹	**10**	10
Basic earning per share	₹	**55.25**	63.64
Diluted earning per share	₹	**54.89**	63.25

(₹in Lakhs)

Note 33 : Share based payments

A. The Company has instituted Employee Stock Option Scheme 2018 ("ESOP 2018"), Employee Stock Options Scheme (Demerger) 2018 ("ESOS DEMERGER 2018") and Anup Employee Stock Option Scheme 2019 ("Anup - ESOS 2019") pursuant to the approval of the shareholders of the Company to the Scheme in their Meetings held on 12th May 2018, 12th May 2018 and 7th August 2019 respectively. Under ESOP 2018, ESOS DEMERGER 2018 and Anup – ESOS 2019, the Company has issued 87,500; 58,371 and 57,500 options respectively convertible into equal number of Equity Shares of face value of ₹ 10 each. The following table sets forth the particulars of the options issued and vested under ESOP 2018, ESOS DEMERGER 2018 and Anup – ESOS 2019:

Particulars	Anup ESOS 2019	Anup ESOS 2019		ESOS 2018	ESOS DEMERGER 2018
Date of grant	26-Oct-21	24-Oct-19		-	-
Expiry Date	5 years from the date of vesting	5 years from the date of vesting.		5 years from the date of grant	5 years from the date of grant
Number of options granted	20000	30000	7500	-	-
Exercise price per option	929.95	464.40	10	-	-
Vesting schedule	Step Vesting over 3 years	50% Vesting on 31-May-22 and 31-May-23 each	Vesting on 31-May-24	87,500 options vested	25,038 options vested
Vesting requirements	Based on passage of time, continued employment and achievement of vesting conditions.	Performance based vesting		Performance based vesting	Time based vesting
Exercise period	5 years from the date of vesting.	5 years from the date of vesting.		5 years from the date of vesting.	5 years from the date of vesting for 33,333 options and 3 years from the date of vesting for 25,038 options
Method of settlement	Equity	Equity		Equity	Equity

B. Movement in Stock Options during the year :

The following reconciles the share option outstanding at the beginning and at the end of the year :

Particulars	Year Ended March 31, 2023					
	Anup ESOS 2019		ESOS 2018		ESOS DEMERGER 2018	
	No. of Options	Weighted Average Exercise Price	No. of Options	Weighted Average Exercise Price	No. of Options	Weighted Average Exercise Price
Outstanding at the beginning of the year	57,500	567.06	37,500	151.43	33,333	385.29
Vested but not exercised at the beginning of the year	-	-	-	-	-	-
Granted during the year	-	-	-	-	-	-
Forfeited during the year	-	-	-	-	-	-
Exercised during the year	-	-	15,000	151.43	-	-
Expired during the year	-	-	-	-	-	-
Outstanding at the end of the year	57,500	567.06	22,500	151.43	33,333	385.29
Exercisable at the end of the year	15,000	208.99	22,500	151.43	33,333	385.29

Notes to the Standalone Financial Statements

(₹in Lakhs)

Particulars	Year Ended March 31, 2022					
	Anup ESOS 2019		ESOS 2018		ESOS DEMERGER 2018	
	No. of Options	Weighted Average Exercise Price	No. of Options	Weighted Average Exercise Price	No. of Options	Weighted Average Exercise Price
Outstanding at the beginning of the year	37,500	373.52	87,500	151.43	33,333	385.29
Vested but not exercised at the beginning of the year	-	-	-	-	-	-
Granted during the year	20,000	929.95	-	-	-	-
Forfeited during the year	-	-	-	-	-	-
Exercised during the year	-	-	50,000	151.43	-	-
Expired during the year	-	-	-	-	-	-
Outstanding at the end of the year	57,500	567.06	37,500	151.43	33,333	385.29
Exercisable at the end of the year	-	-	37,500	151.43	33,333	385.29

C. Share Options Exercised during the year

Option Series	No. of Options	Exercise Date	Weighted Average Share Price at Exercise Date
ESOS 2018	15,000	18-Oct-22	151.43

Share Options Exercised during the year 2021-2022

Option Series	No. of Options	Exercise Date	Weighted Average Share Price at Exercise Date
ESOS 2018	20,000	20-May-21	151.43
ESOS 2018	30,000	09-Sep-21	151.43

D. Share Options Outstanding at the end of the year:

Particulars	Anup - ESOS 2019	ESOS 2018	ESOS DEMERGER 2018
For stock options outstanding at the end of the year, the range of exercise prices and the weighted average remaining contractual life (comprising the vesting period and the exercise period)	Exercise price range – ₹ 10.00 to ₹ 929.95 Weighted average remaining contractual life – 5.50 years	Exercise price range – ₹ 151.43 Weighted average remaining contractual life – 3.00 years	Exercise price range – ₹ 385.29 Weighted average remaining contractual life – 3.00 years

E. Significant Assumptions of Valuation on New Grant

During the year, no options were granted.

F. Expense arising from share- based payment transactions

Total expenses arising from share- based payment transactions recognised in profit or loss as part of employee benefit expense were as follows :

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Share Based Payment to Employees	**43.13**	38.92

(₹in Lakhs)

Note 34 : Leases

The Company has incurred ₹ 12.06 Lakhs (Previous year ₹ 63.63 Lakhs) towards expenses relating to leases of low-value assets.

Note 35: Disclosure in respect of Corporate Social Responsibility (CSR) Activities

Particulars		For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
a)	Gross amount required to be spent by the Company during the year	**126.74**	123.42
b)	Amount spend during the year (in cash)		
	i) Construction/ acquisition of any asset	**-**	-
	ii) Contribution to various Trusts / NGOs / Societies /Agencies and utilization thereon	**127.00**	127.50
	iii) Expenditure on Administrative Overheads for CSR	**-**	-
c)	Amount unspent during the year	**-**	-
d)	Total of previous years shortfall	**-**	-
e)	Reasons for shortfall	**-**	-
f)	Details of related party transactions		
	Name	**-**	-
	Relationship	**-**	-
	Amount	**-**	-
g)	Movement of CSR Provision		
	Balance as per last financial statements	**-**	-
	Add: Provision made during the year	**-**	-
	(Less): Utilised during the year	**-**	-
	Balance at the end of the year	**-**	-

Note 36: Financial Instruments by category

(i) Financial assets by category

Particulars	As at March 31, 2023				As at March 31, 2022			
	Cost	Fair value through Profit and Loss (FVTPL)	Amortised cost	Total	Cost	Fair value through Profit and Loss (FVTPL)	Amortised cost	Total
Investments:								
Equity shares	**2,016.00**	**-**	**-**	**2,016.00**	2,016.00	-	-	2,016.00
Trade receivables	**-**	**-**	**14856.24**	**14,856.24**	-	-	12,479.55	12,479.55
Cash and cash equivalents	**-**	**-**	**3,107.81**	**3,107.81**	-	-	946.45	946.45
Other bank balances	**-**	**-**	**150.82**	**150.82**	-	-	4,180.22	4,180.22
Other financial assets	**-**	**-**	**281.08**	**281.08**	-	-	268.63	268.63
Total Financial Assets	**2,016.00**	**-**	**18,395.95**	**20,411.95**	2,016.00	-	17,874.85	19,890.85

(ii) Financial liabilities by category

Particulars	As at March 31, 2023		As at March 31, 2022	
	Amortised cost	Total	Amortised cost	Total
Trade payable	**6,094.82**	**6,094.82**	4,187.20	4,187.20
Other Financial Liabilities	**384.77**	**384.77**	264.83	264.83
Total Financial Liabilities	**6,479.59**	**6,479.59**	4,452.03	4,452.03

For Financial instruments risk management objectives and policies, refer Note 38.

Notes to the Standalone Financial Statements

(₹in Lakhs)

Note 37 : Fair value disclosures for financial assets and financial liabilities:

The management assessed that the fair values of cash and cash equivalents, other bank balances, loans, trade receivables, other current financial assets, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Particulars	As at March 31, 2023	As at March 31, 2022
Financial assets		
Investments measured at cost		
Carrying Amount	**2,016.00**	2,016.00
Fair Value	**2,016.00**	2,016.00

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

The fair value of borrowings is calculated by discounting future cash flows using rates currently available for debts on similar terms, credit risk and remaining maturities.

For financial assets and financial liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Note 38 : Financial instruments risk management objectives and policies

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company's risk management is carried out by a Treasury department under policies approved by the Board of directors. The Company's treasury identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The board provides written principles for overall risk.

(a) Market risk

Market risk refers to the possibility that changes in the market rates may have impact on the Company's profits or the value of its holding of financial instruments. The Company is exposed to market risks on account of foreign exchange rates, interest rates, underlying equity prices, liquidity and other market changes.

Future specific market movements cannot be normally predicted with reasonable accuracy.

(a1) Interest rate risk

Interest rate risk refers to the possibility that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rate.

The Company is exposed to interest rate risk of short-term and long-term floating rate instruments and on the refinancing of fixed rate debt. The Company's policy is to maintain a balance of fixed and floating interest rate borrowings and the proportion of fixed and floating rate debt is determined by current market interest rates. The borrowings of the Company are principally denominated in Indian Rupees with mix of fixed and floating rates of interest. These exposures are reviewed by appropriate levels of management at regular interval.

As on March 31, 2023, the Company does not have any borrowings.

(a2) Foreign currency risk

The Company's foreign currency risk arises from its foreign operations and foreign currency transactions. The fluctuation in foreign currency exchange rates may have potential impact on the income statement and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the Company. The major foreign currency exposures for the Company are denominated in USD and EURO.

Since a part of the Company's revenue is in foreign currency and major part of the costs are in Indian Rupees, any movement in currency rates would have impact on the Company's performance. Exposures on foreign currency sales are managed through the Company's hedging policy, which is reviewed periodically to ensure that the results from fluctuating currency exchange rates are appropriately managed. The Company strives to achieve asset liability offset of foreign currency exposures and only the net position is hedged. Consequently, the overall objective of the foreign currency risk management is to minimize the short term currency impact on its revenue and cash-flow in order to improve the predictability of the financial performance. The Company may use forward contracts, foreign exchange options or currency swaps towards hedging risk resulting from changes and fluctuations in foreign currency exchange rate. These foreign exchange contracts, carried at fair value, may have varying maturities varying depending upon the primary host contract requirements and risk management strategy of the company. Hedge effectiveness is assessed on a regular basis. Details of the hedge & unhedged position of the Company given in Note 28.

Foreign currency sensitivity

The foreign exchange rate sensitivity is calculated by the aggregation of the net foreign exchange rate exposure in USD and EURO with a simultaneous parallel foreign exchange rates shift in the currencies by 1% against the functional currency of the respective entities. The company's exposure to foreign currency changes for all other currencies is not material.

(₹ in Lakhs)

Particulars	Change in Currency rate	Effect on profit before tax on Account of change in USD rate	Effect on profit before tax on Account of change in EURO rate
March 31, 2023	+1%	10.40	(0.19)
	-1%	(10.40)	0.19
March 31, 2022	+1%	2.70	(0.17)
	-1%	(2.70)	0.17

The movement in the pre-tax effect is a result of a change in the fair value of financial instruments not designated in a hedge relationship. Although the financial instruments have not been designated in a hedge relationship, they act as an economic hedge and will offset the underlying transactions when they occur.

(b) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Financial instruments that are subject to concentrations of credit risk materially consists of trade receivables, investments and derivative financial instruments.

The Company is exposed to credit risk from its operating activities (primarily trade receivables and also from its investing activities including deposits with banks, forex transactions and other financial instruments) for receivables, cash and cash equivalents, financial guarantees and derivative financial instruments.

All trade receivables are subject to credit risk exposure. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country, in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through established policies, controls relating to credit approvals and procedures for continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit. The history of trade receivables shows a negligible provision for bad and doubtful debts. Therefore, the Company does not expect any material risk on account of non-performance by any of the Company's counterparties. The Company does not have significant concentration of credit risk related to trade receivables. However, 1 customer contribute to more than 10% of outstanding accounts receivable as of March 31, 2023 (3 customers contribute to more than 10% of outstanding accounts receivable as of March 31, 2022). Trade receivables are non-interest bearing and are generally on 30 days to 180 days credit term.

With respect to derivatives, the Company's forex management policy lays down guidelines with respect to exposure per counter party i.e. with banks with high credit rating, processes in terms of control and continuous monitoring. The fair value of the derivatives are credit adjusted at the period end..

Notes to the Standalone Financial Statements

(c) 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 generates cash flows from operations to meet its financial obligations, maintains adequate liquid assets in the form of cash & cash equivalents and has undrawn short term line of credits from banks to ensure necessary liquidity.

The Company closely monitors its liquidity position and deploys a robust cash management system.

The Company requires funds both for short-term operational needs as well as for long-term investment programmes mainly in growth projects

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

(₹ in Lakhs)

Particulars	**< 1 year**	**>1 year but < 5 years**	**more than 5 years**	**Total**
March 31, 2023				
Trade payables	6,094.82	-	-	6,094.82
Other financial liabilities	384.77	-	-	384.77
	6,479.59	**-**	**-**	**6,479.59**
March 31, 2022				
Trade payables	4,187.20	-	-	4,187.20
Other financial liabilities	264.83	-	-	264.83
	4,452.03	**-**	**-**	**4,452.03**

Note 39 : 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.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions or its business requirements to optimise return to our shareholders through continuing growth. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The funding requirements are met through a mixture of equity, internal fund generation and other non-current borrowings. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings less cash and short-term deposits (including other bank balance). The Company is not subject to any externally imposed capital requirements.

(₹ in Lakhs)

Particulars	**As at March 31, 2023**	As at March 31, 2022
Borrowings	**-**	-
Total Equity (Refer note 11 & 12)	**44,192.03**	39,445.01
Debt to total equity (times)	**-**	-

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any long term borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the current period.

Note 40 : Business Combination

In the Board meeting held on December 29, 2022, the Board of Directors of the Company has approved Scheme of Amalgamation between the Company and its wholly owned subsidiary company (Anup Heavy Engineering Limited). The Scheme is subject to approval of relevant regulatory authorities. Pending such approvals, the Company has not given effect of the scheme in the financial statements.

Note 41 : Code on Social Security, 2020

The Parliament of India has approved the Code on Social Security, 2020 (the Code) which may impact the contributions by the Company towards provident fund, gratuity and ESIC. The Code has been published in the Gazette of India. However, the effective date has not yet been notified. The Company will assess the impact of the Code when it comes into effect and will record related impact, if any, in the period the Code becomes effective.

Note 42 : Recent Pronouncements

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, as and when they become effective. The Ministry of Corporate affairs (MCA) has notified certain amendments to Ind AS, through Companies (Indian Accounting Standards) Amendment Rules, 2023 on March 31, 2023. The amendments have been made in the following standards:

Ind AS 1

Presentation of Financial Statements is amended to replace the term "significant accounting policies" with "material accounting policy information" and providing guidance relating to immaterial transactions, disclosure of entity specific transactions and more.

Ind AS 8

Accounting Policies, Changes in Accounting Estimates and Errors to include the definition of accounting estimates as "monetary amounts in financial statements that are subject to measurement uncertainty.

Ind AS 12

Income Taxes relating to initial recognition exemption of deferred tax related to assets and liabilities arising from a single transaction.

Other Amendments

Ind AS 102 – Share based Payments, Ind AS 103 – Business Combinations, Ind AS 109 – Financial Instruments, Ind AS 115 – Revenue from Contracts with Customers which are mainly editorial in nature in order to provide better clarification of the respective Ind AS's.

Note 43 : Other Notes

Additional Regulatory Information pursuant to Clause 6L of General Instructions for preparation of Balance Sheet as given in Part I of Division II of Schedule III to the Companies Act, 2013, are given hereunder to the extent relevant and other than those given elsewhere in any other notes to the Financial Statements.

a. During the year ended March 31, 2023 and March 31, 2022, the Company has not advanced or loaned or invested funds (either borrowed funds or share premium or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

   i) 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

   ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries. Further, during the year ended March 31, 2023 and March 31, 2022, the Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: i) 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 ii) provide any guarantee, security, or the like on behalf of the ultimate beneficiaries.

b. The Company has not invested or traded in Crypto Currency or Virtual Currency during the year ended March 31, 2023 (Previous year: Nil).

c. No proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder during the year ended March 31, 2023 (Previous year: Nil)..

Notes to the Standalone Financial Statements

d. The Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority during the year ended March 31, 2023 (Previous year: Nil).

e. The Company has not surrendered or disclosed as income any transactions not recorded in the books of accounts in the course of tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961) during the year ended March 31, 2023 (Previous year: Nil).

f. The Company does not have any transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the year ended March 31, 2023 (Previous year: Nil).

g. The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

Note 44 : Financial Ratios

Sr.	Type of Ratio	Numerator	Denominator	2022-23	2021-22	Variance (in %)	Remarks for variance more than 25%
1	Current Ratio (In times)	Current Assets	Current Liabilities	2.31	2.36	(2.18%)	Not Applicable
2	Debt-Equity Ratio (In times)	Total Debt	Total Equity	-	-	-	Not Applicable
3	Debt Service Coverage Ratio (In times)	Earnings before Interest, Depreciation and amortisation and after tax other adjustments like loss/profit on sale of Fixed assets etc.	Debt Service	844.86	303.90	178.01%	Reduction in interest cost and increase in EBIT
4	Return on Equity Ratio (%)	Net Profit after Tax	Average Total Equity	13.06%	17.18%	(23.94%)	Not Applicable
5	Inventory turnover Ratio (In times)	Revenue from operations	Average Inventories	3.79	3.67	3.18%	Not Applicable
6	Trade Receivables turnover Ratio (In times)	Revenue from operations	Average Trade Receivables	3.01	2.45	22.74%	Not Applicable
7	Trade Payables turnover Ratio (In times)	Total purchases	Average Trade Receivables	6.16	6.16	0.12%	Not Applicable
8	Net capital turnover Ratio (In times)	Revenue from operations	Working Capital	2.05	1.79	14.39%	Not Applicable
9	Net profit Ratio (%)	Net Profit after Tax	Revenue from operations	13.28%	21.81%	(39.09%)	Reduction in net profit
10	Return on Capital employed (%)	Profit before Interest, Exceptional Items and Tax	Total Capital Employed ((Total Equity + Total Debt + Deferred Tax Liabilities/(Asse ts)	16.43%	15.50%	5.99%	Not Applicable
11	Return on investment (%)	Refer (a) below		26.26%	39.84%	34.09%	Impact of market dynamics

Note (a) : Return on Investment

$$\frac{(MV(T1)-MV(To)-Sum[C(t)])}{(MV(To)+Sum[W(t)*C(t)])}$$

Where,

T1 = End of time period

To = Begning of time period

t = Specific date falling between T1 and To

MV(T1) = Market Value at T1

MV(To) = Market Value at To

C(t) = Cash inflow, cash outflow on specific date

W(t) = Weight of the net cashflow (i.e. either net inflow or net outflow) on day 't', calculated as (T1-t)/T1

Note 45 : Events occuring after the reporting period

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of financial statements to determine the necessity for recognition and/or reporting of subsequent events and transactions in the financial statements. As of May 17, 2023, there were no subsequent events and transactions to be recognized or reported that are not already disclosed.

Note 46 : Regrouped, Recast, Reclassified

Material regroupings: Appropriate adjustments have been made in the statements of assets and liabilities, statement of profit and loss and cash flows, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited financials of the Company as at March 31, 2023.

Independent Auditor's Report

TO THE MEMBERS OF THE ANUP ENGINEERING LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of The Anup Engineering Limited("the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and the notes to the consolidated financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 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 consolidated state of affairs of the Group as at March 31, 2023, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) 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 Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated 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 consolidated 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 consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from Contracts with Customers"** The application of the revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognised over a period, estimate of variable consideration, reduction of revenue on the basis of consideration payable to customers, recognition of contract assets and refund liability. Additionally, new revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date. Refer Note 17 to the Financial Statements	**<u>Principal Audit Procedures</u>** Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows: • Evaluated the design of internal controls relating to implementation of the new revenue accounting standard. • Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, reperformance and inspection of evidence in respect of operation of these controls. • Selected a sample of continuing and new contracts and performed the following procedures: • Read, analysed and identified the distinct performance obligations in these contracts. • Compared these performance obligations with that identified and recorded by the Company. • Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration. • Considered the terms of contracts for determination of Principal versus agent consideration, recognition of contract assets and refund liability including historical trend of returns. • Sample of revenues disaggregated by type and service offerings was tested with the performance obligations specified in the

Sr. No.	Key Audit Matter	Auditor's Response
		underlying contracts. • Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings. • We reviewed the collation of information to prepare the disclosure relating to the periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 Holding Company and its subsidiary company which are company incorporated in India, 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 ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's

report to the related disclosures in the consolidated financial 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 Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements.

Materiality is the magnitude of misstatements in the consolidated 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 consolidated 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 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 of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d) In our opinion, the aforesaid consolidated 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 of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and its subsidiary and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2023 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditor's reports of the Holding Company and its subsidiary company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.

   g) 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, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent to its directors during the year is in accordance with the provisions of section 197 of the Act

   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 Consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.

      ii. The Company did not have any long-term contract including derivative contracts for which there were any material foreseeable losses.

      iii. There has been no amounts required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India.

      iv. 1 The management has represented that, to the best of its knowledge and belief, 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 Holding Company and its subsidiary incorporated in India 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, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or its subsidiary company incorporated in India ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

2 The management has represented that, to the best of its knowledge and belief, no funds have been received by the Holding Company and its subsidiary incorporated in India from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

3 Based on the audit procedures conducted by us, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material misstatements.

v. The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act.

vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable w.e.f. April 1, 2023, reporting under this clause is not applicable.

2. As required by the Companies (Auditor's Report) Order, 2020 ("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.**
Firm's Registration No. 110417W
Chartered Accountants

CA. Chokshi Shreyas B.
Partner
Membership No.100892
UDIN: 23100892BGQHHN1629

Place : Ahmedabad
Date : 17th May 2023

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 The Anup 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 The Anup Engineering Limited ("the Holding Company") and its subsidiary company incorporated in India, for the year ended March 31, 2023 in conjunction with our audit of the Consolidated Ind AS financial statements of the Holding Company.

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company, its subsidiary company, which are company incorporated in India, are 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 (" the 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 the 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding 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 judgement, including the assessment of the risks of material misstatement of the Ind AS 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 Holding 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 Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Holding Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Holding Company are being made only in accordance with authorisations of management and directors of the Holding Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Holding Company's assets that could have a material effect on the Ind AS 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 Holding Company and its subsidiary company, which are company incorporated in India, have 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, 2023, 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.**
Firm's Registration No. 110417W
Chartered Accountants

CA. Chokshi Shreyas B.
Partner
Membership No.100892

Place : Ahmedabad
Date : 17th May 2023

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 The Anup Engineering Limited of even date)

xxi. According to the information and explanations given to us, there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the Company included in the consolidated financial statements.

For **Sorab S. Engineer & Co.**
Firm's Registration No. 110417W
Chartered Accountants
CA. Chokshi Shreyas B.
Partner
Membership No.100892

Place : Ahmedabad
Date : 17th May 2023

Consolidated Balance Sheet as at March 31, 2023

(₹ in Lakhs)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
I. Non-Current Assets			
(a) Property, plant and equipment	5	**20,068.62**	18,291.07
(b) Capital work-in-progress	5	**8,702.56**	3,066.20
(c) Intangible assets	6	**1,670.09**	2,020.05
(d) Financial assets			
(i) Other financial assets	7 (d)	**263.21**	218.33
(e) Other non-current assets	8	**168.60**	983.52
Total Non-Current Assets (A)		**30,873.08**	24,579.17
II. Current Assets			
(a) Inventories	9	**12,691.84**	9,019.69
(b) Financial assets			
(i) Trade receivables	7 (a)	**14,856.22**	12,479.55
(ii) Cash and cash equivalents	7 (b)	**3,108.78**	949.51
(iii) Bank balance other than (ii) above	7 (c)	**150.82**	4,180.22
(iv) Others financial assets	7 (d)	**18.17**	50.60
(c) Other current assets	8	**2,592.55**	1,272.62
Total Current Assets (B)		**33,418.38**	27,952.19
TOTAL ASSETS (A) + (B)		**64,291.46**	52,531.36
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	11	**989.62**	988.12
(b) Other equity	12	**42,778.46**	38,352.97
Total Equity (A)		**43,768.08**	39,341.09
LIABILITIES			
I. Non-Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	13 (a)	**3,002.54**	-
(b) Deferred tax liabilities (net)	25	**1,209.78**	1,165.06
(c) Provisions	14	**-**	33.43
Total Non-Current Liabilities (B)		**4,212.32**	1,198.49
II. Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	13 (a)	**431.51**	-
(ii) Trade payables	13 (b)		
Total outstanding dues of micro enterprises and small enterprises		**62.45**	30.85
Total outstanding dues of creditors other than micro enterprises and small enterprises		**6,520.05**	4,298.66
(ii) Other financial liabilities	13 (c)	**384.77**	264.83
(b) Provisions	14	**73.89**	63.65
(c) Other current liabilities	15	**7,297.40**	6,296.55
(d) Current tax liabilities (net)	16	**1,540.99**	1,037.24
Total Current Liabilities (C)		**16,311.06**	11,991.78
TOTAL EQUITY AND LIABILITIES (A) + (B) + (C)		**64,291.46**	52,531.36

See accompanying notes forming part of the consolidated financial statements

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

CA. Chokshi Shreyas B.
Partner
Membership No. 100892

Place : Ahmedabad
Date : 17th May, 2023

For and on behalf of the board of directors of The Anup Engineering Limited

Sanjay S. Lalbhai
Chairman
DIN: 00008329

Punit S. Lalbhai
Director
DIN: 05125502

Reginaldo Desouza
Chief Executive Officer

Nilesh Hirapara
Chief Financial Officer

Chintankumar Patel
Company Secretary
Membership No. A29326

Place : Ahmedabad
Date : 17th May, 2023

Anup ENGINEERING

Consolidated Statement of profit and loss for the year ended March 31, 2023

(₹ in Lakhs)

Particulars	Notes	Year Ended March 31, 2023	Year Ended March 31, 2022
I. INCOME			
(a) Revenue from operations	17	**41,133.81**	28,824.16
(b) Other income	18	**124.21**	376.77
TOTAL REVENUE		**41,258.02**	29,200.93
II. EXPENSES			
(a) Cost of raw materials consumed	19	**23,320.80**	16,272.51
(b) Changes in inventories of finished goods and work-in-progress	20	**(1,137.68)**	(2,255.85)
(c) Employee benefits expense	21	**2,095.78**	2,035.48
(d) Finance costs	22	**140.83**	103.13
(e) Depreciation and amortisation expense	23	**1,254.05**	1,159.22
(f) Other expenses	24	**8,584.42**	5,774.22
TOTAL EXPENSES		**34,258.20**	23,088.71
III. PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX (I-II)		**6,999.82**	6,112.22
IV. Exceptional items		**-**	-
V. PROFIT BEFORE TAX (III-IV)		**6,999.82**	6,112.22
VI. TAX EXPENSE	25		
(a) Current tax		**1,815.00**	1,545.00
(b) Excess provision of tax for to earlier years written back		**-**	(1,557.37)
(c) Deferred Tax Charge/(Credit)		**41.82**	(80.85)
Total Tax Expense		**1,856.82**	(93.22)
VII. PROFIT FOR THE YEAR (V-VI)		**5,143.00**	6,205.44
VIII. OTHER COMPREHENSIVE INCOME/(LOSS)			
Items that will not be reclassified to Profit and Loss			
(i) Remeasurement income/(loss) of defined benefit plans	30	**11.52**	(5.77)
(ii) Income tax related to above item	25	**(2.90)**	1.45
TOTAL OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR (NET OF TAX) (VIII)		**8.62**	(4.32)
IX. TOTAL COMPREHENSIVE INCOME FOR THE YEAR (NET OF TAX) (VII+VIII)		**5,151.62**	6,201.12
X. EARNING PER EQUITY SHARE [NOMINAL VALUE PER SHARE ₹10]	32		
- Basic		**52.01**	62.83
- Diluted		**51.68**	62.45

See accompanying notes forming part of the consolidated financial statements

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

CA. Chokshi Shreyas B.
Partner
Membership No. 100892

Place : Ahmedabad
Date : 17th May, 2023

For and on behalf of the board of directors of The Anup Engineering Limited

Sanjay S. Lalbhai
Chairman
DIN: 00008329

Punit S. Lalbhai
Director
DIN: 05125502

Reginaldo Desouza
Chief Executive Officer

Nilesh Hirapara
Chief Financial Officer

Chintankumar Patel
Company Secretary
Membership No. A29326

Place : Ahmedabad
Date : 17th May, 2023

Consolidated Statement of cash flows for the year ended March 31, 2023

(₹ in Lakhs)

Particulars	Year ended March 31, 2023		Year ended March 31, 2022	
A Cash Flow from Operating Activities				
Profit before taxation		**6,999.82**		6,112.22
Adjustments to reconcile profit before tax to net cash flows:				
Depreciation /Amortization	**1,254.05**		1,159.22	
Interest Income	**(95.31)**		(359.92)	
Finance Cost	**140.83**		103.13	
Allowance/(Reversal) for doubtful debts	**(17.95)**		186.04	
Allowance/(Reversal) for doubtful Advances	**(3.31)**		3.45	
Property, Plant & Equipment written off	**7.71**		-	
Sundry Credit Balances appropriated	**(7.64)**		(7.15)	
Loss/(Profit) on sale of Property, Plant & Equipment	**3.83**		(1.87)	
Share based payment expense	**43.13**		38.92	
		1,325.34		1,121.82
Operating Profit before Working Capital Changes		**8,325.16**		7,234.04
Adjustments for changes in working capital :				
(Increase)/Decrease in inventories	**(3,672.15)**		(2,341.67)	
(Increase)/Decrease in trade receivables	**(2,358.72)**		(1,654.02)	
(Increase)/Decrease in other financial assets	**(23.73)**		(14.08)	
(Increase)/Decrease in other assets	**(1,317.96)**		(260.11)	
Increase/(Decrease) in trade payables	**2,260.63**		1,642.00	
Increase/(Decrease) in other financial liabilities	**110.55**		5.60	
Increase/(Decrease) in other current liabilities	**1,000.85**		1,201.46	
Increase/(Decrease) in provisions	**(11.67)**		20.54	
Net Changes in Working Capital		**(4,012.20)**		(1,400.28)
Cash Generated from Operations		**4,312.96**		5,833.76
Direct Taxes paid (Net of Tax refund)		**(1,311.25)**		1,570.49
Net Cash Flow from Operating Activities		**3,001.71**		7,404.25
B Cash Flow from Investing Activities				
Purchase of Property, Plant & Equipment (including Capital advances)	**(7,491.86)**		(4,155.18)	
Proceeds from disposal of Property, Plant & Equipment	**17.47**		16.60	
Changes in other bank balances not considered as cash and cash equivalents	**4,008.25**		(2,355.87)	
Interest Received	**127.74**		359.92	
Net Cash Flow used in Investing Activities		**(3,338.40)**		(6,134.53)
C Cash Flow from Financing Activities				
Proceeds from Issue of Share Capital	**22.73**		75.72	
Proceeds from Long Term Borrowings (Net)	**3,434.05**		-	
Dividend paid	**(781.00)**		(679.64)	
Payments towards fractional entitlement	**(0.10)**		(0.11)	
Interest Paid	**(179.72)**		(103.13)	
Net Cash Flow used in Financing Activities		**2,495.96**		(707.16)
Net Increase in cash and cash equivalents		**2,159.27**		562.56
Cash and Cash equivalent at the beginning of the year		**949.51**		386.95
Cash and Cash equivalent at the end of the year		**3,108.78**		949.51

Consolidated Statement of cash flows for the year ended March 31, 2023

Reconciliation of cash and cash equivalents (₹ in Lakhs)

Particulars	**As at March 31, 2023**	As at March 31, 2022
Cash and cash equivalents :		
Cash on Hand	**0.55**	0.36
Balances with Banks	**3,108.23**	949.15
Cash and cash equivalents as per Balance Sheet (Refer Note 7 (b))	**3,108.78**	949.51
Cash and cash equivalents as per Cash flow Statement	**3,108.78**	949.51

See accompanying notes forming part of the Consolidated financial statements

Disclosure under para 44A as set out in Ind As 7 on cash flow statements under companies (Indian Accounting Standards) Rules, 2015 (as amended)

Particulars of liabilities arising from financing activity	**Note No.**	**As at March 31, 2022**	**Cash Flows**	**Other changes**	**As at March 31, 2023**
Long term borrowings	13 (a)	-	3,434.05	-	3,434.05
Total		**-**	**3,434.05**	**-**	**3,434.05**

Note:
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's Registration No. 110417W
Chartered Accountants

CA. Chokshi Shreyas B.
Partner
Membership No. 100892

Place : Ahmedabad
Date : 17th May, 2023

For and on behalf of the board of directors of The Anup Engineering Limited

Sanjay S. Lalbhai
Chairman
DIN: 00008329

Punit S. Lalbhai
Director
DIN: 05125502

Reginaldo Desouza
Chief Executive Officer

Nilesh Hirapara
Chief Financial Officer

Chintankumar Patel
Company Secretary
Membership No. A29326

Place : Ahmedabad
Date : 17th May, 2023

Consolidated Statement of changes in Equity for the year ended March 31, 2023

A. Equity share capital

(₹ in Lakhs)

Particulars	Amount
As at April 1, 2021	**983.12**
Add : Issued during the year under ESOP	5.00
As at March 31, 2022	**988.12**
As at April 1, 2022	**988.12**
Add : Issued during the year under ESOP	1.50
As at March 31, 2023	**989.62**

B. Other equity

Particulars	Reserves and Surplus					Total other equity
	Capital reserve	Capital redemption reserve	Share based payment reserve	Securities premium	Retained earnings	
			Note 33			
Balance as at April 1, 2021	**5.00**	**38.78**	**97.45**	**17,891.22**	**14,699.34**	**32,731.79**
Profit for the year	-	-	-	-	6,205.44	**6,205.44**
Other comprehensive income/(loss) for the year	-	-	-	-	(4.32)	**(4.32)**
Total Comprehensive income for the year	**-**	**-**	**-**	**-**	**6,201.12**	**6,201.12**
Add: Issue of Shares under Employee Stock Option Plan	-	-	38.92	-	-	**38.92**
Less: Transfer to Securities premium account		-	(32.38)	-	-	**(32.38)**
Add: Received during the year	-	-	-	70.72	-	**70.72**
Add: Transfer from Share based payment reserve	-	-	-	32.38	-	**32.38**
Less: Dividend paid during the year	-	-	-	-	(689.58)	**(689.58)**
Balance as at March 31, 2022	**5.00**	**38.78**	**103.99**	**17,994.32**	**20,210.88**	**38,352.97**
Balance as at April 1, 2022	**5.00**	**38.78**	**103.99**	**17,994.32**	**20,210.88**	**38,352.97**
Profit for the year	-	-	-	-	5,143.00	**5,143.00**
Other comprehensive income/(loss) for the year	-	-	-	-	8.62	**8.62**
Total Comprehensive income for the year	**-**	**-**	**-**	**-**	**5,151.62**	**5,151.62**
Add: Issue of Shares under Employee Stock Option Plan	-	-	43.13	-	-	**43.13**
Less: Transfer to Securities premium account	-	-	(9.71)	-	-	**(9.71)**
Add: Received during the year	-	-	-	21.23	-	**21.23**
Add: Transfer from Share based payment reserve	-	-	-	9.71	-	**9.71**
Less: Dividend paid during the year	-	-	-	-	(790.49)	**(790.49)**
Balance as at March 31, 2023	**5.00**	**38.78**	**137.41**	**18,025.26**	**24,572.01**	**42,778.46**

Note: Refer note 12 for nature and purpose of reserves and surplus.

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached

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

CA. Chokshi Shreyas B.
Partner
Membership No. 100892

Place : Ahmedabad
Date : 17th May, 2023

For and on behalf of the board of directors of The Anup Engineering Limited

Sanjay S. Lalbhai
Chairman
DIN: 00008329

Punit S. Lalbhai
Director
DIN: 05125502

Reginaldo Desouza
Chief Executive Officer

Nilesh Hirapara
Chief Financial Officer

Chintankumar Patel
Company Secretary
Membership No. A29326

Place : Ahmedabad
Date : 17th May, 2023

1. Group Overview

The Anup Engineering Limited ("the Company") is engaged in manufacturing and fabrication of process equipment required for Chemicals, Petrochemicals, Pharmaceuticals, Fertilizers, Drugs and other allied industries.

The Company is a Public Limited Company domiciled in India and incorporated under the provisions of the Companies Act, 2013 ("the Act" erstwhile Companies Act, 1956) applicable in India. Its equity shares are listed on the National Stock Exchange ("NSE") and the BSE Limited. The registered office of the Company is located at Odhav, Ahmedabad.

The consolidated financial statements have been considered and approved by the Board of Directors at their meeting held on May 17, 2023.

2. Statement of Compliance and Basis of Preparation

The consolidated financial statements have been prepared on a historical cost convention on the accrual basis except for the certain financial assets and liabilities measured at fair value, the provisions of the Companies Act, 2013 to the extent notified ("the Act") and guidelines issued by the Securities and Exchange Board of India (SEBI).

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

These consolidated 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, 2023 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 consolidated financial statements are presented in Indian Rupee ("INR") and all values are rounded to the nearest Lakhs as per the requirement of Schedule III, except when otherwise indicated.

Principles of Consolidation of Subsidiaries

The Group consolidates entities which it owns or controls. The Consolidated Financial Statement comprise the financial statements of the Group and its subsidiaries. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the Consolidated Financial Statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses including unrealized gain /loss and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

3. Summary of Significant Accounting Policies

3.1. Current versus non-current classification

The Group 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

Notes to the Consolidated Financial Statements

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

3.2. Use of estimates and judgements

The estimates and judgements used in the preparation of the consolidated financial statements are continuously evaluated by the Group and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Group believes to be reasonable under the existing circumstances. Difference between actual results and estimates are recognised in the period in which the results are known / materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

3.3. Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.
- Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.
- Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent to its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

Business Combination under Common Control

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and the control is not transitory. The transactions between entities under common control are specifically covered by Ind AS 103. Such transactions are accounted for using the pooling-of-interest method. The assets and liabilities of the acquired entity are recognised at their carrying amounts of the parent entity's consolidated financial statements with the exception of certain income tax and deferred tax assets. No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies. The components of equity of the acquired companies are added to the same components within the Group's equity. The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to other equity and is presented separately from other capital reserves. The Group's shares issued in consideration for the acquired companies are recognized from the moment the acquired companies are included in these financial statements and the financial statements of the commonly controlled entities would be combined, retrospectively, as if the transaction had occurred at the beginning of the earliest reporting period presented.

3.4. Foreign currencies

The Group's functional and presentation currency is Indian Rupee. Transactions in foreign currencies are initially recorded by the Group's functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement of such transaction and on translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rate are recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges.

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

3.5. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Notes to the Consolidated Financial Statements

- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and for non-recurring measurement, such as asset held for sale.

External valuers are involved for valuation of significant assets, such as properties. Involvement of external valuers is decided upon annually by the management after discussion with and approval by the Group's Audit Committee. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Management decides, after discussions with the Group's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

Management, in conjunction with the Group's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable on yearly basis.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Significant accounting judgements, estimates and assumptions
- Quantitative disclosures of fair value measurement hierarchy
- Property, plant and equipment & Intangible assets measured at fair value on the date of transition
- Investment properties
- Financial instruments (including those carried at amortised cost)

3.6. Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of Property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Borrowing cost relating to acquisition / construction of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Capital work-in-progress comprises cost of fixed assets that are not yet installed and ready for their intended use at the balance sheet date.

De-recognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is de-recognised.

Depreciation

Depreciation on property, plant and equipment is provided so as to write off the cost of assets less residual values over their useful lives of the assets, using the straight-line method as prescribed under Part C of Schedule II to the Companies Act 2013 except for Buildings and Plant and Machinery.

When parts of an item of property, plant and equipment have different useful life, they are accounted for as separate items (Major Components) and are depreciated over their useful life or over the remaining useful life of the principal assets whichever is less.

Depreciation on certain Buildings and Plant and Machinery are provided on straight line method over the useful lives of the assets based upon the technical evaluation by external agency which are as follows:

Particulars	Useful life
Building	10 - 45 Years
Plant and Machinery	30 Years

The management believes that the useful life as given above best represent the period over which management expects to use these assets. Hence the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II to the Companies Act 2013.

Depreciation for assets purchased/sold during a period is proportionately charged for the period of use.

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

3.7. Leases

The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (1) the contract involves the use of an identified asset (2) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset (ROU) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

3.8. Borrowing cost

Borrowing cost includes interest expense as per Effective Interest Rate (EIR) and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

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. Where funds are borrowed specifically to finance a project, the amount capitalised represents the actual borrowing costs incurred. Where surplus funds are available out of money borrowed specifically to finance a project, the income generated from such current investments is deducted from the total capitalized borrowing cost. Where the funds used to finance a project form part of general borrowings, the amount capitalised is calculated using a weighted average of rates applicable to relevant general borrowings of the Group during the year. Capitalisation of borrowing costs is suspended and charged to profit and loss during the extended periods when the active development on the qualifying assets is interrupted.

All other borrowing costs are expensed in the period in which they occur.

3.9. Intangible Assets

Intangible Assets that the Group controls and from which it expects future economic benefits are capitalised upon acquisition and measured initially:

- for assets acquired in a business combination at fair value on the date of acquisition
- for separately acquired assets, at cost comprising the purchase price and directly attributable costs to prepare the asset for its intended use.

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are charged to the Statement of Profit and Loss unless a product's technological and commercial feasibility has been established, in which case such expenditure is capitalised.

Following initial recognition, Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is recognised in the Statement of Profit and Loss in the period in which expenditure is incurred.

The useful lives of intangible assets are assessed as finite.

Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

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Amortisation

Software is amortized over management estimate of its useful life of 3 years or License Period whichever is lower and Patent/Knowhow is amortized over its useful life of 5 years. Licences are amortized over 10 years.

3.10. Inventories

Inventories of Raw material, Work-in-progress and Finished goods are valued at the lower of cost including related overheads and net realisable value. However, Raw material and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- **Raw materials:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- **Finished goods and work in progress:** cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average basis. Taxes which are subsequently recoverable from taxation authorities are not included in the cost.

Inventories of stores and consumables are valued at cost. The stock of waste is valued at net realisable value.

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

3.11. Impairment of non-financial assets

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

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

The Group bases its impairment calculation on detailed budgets and forecasts which are prepared separately for each of the Group's CGU to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses, including impairment on inventories, are recognised in the Statement of Profit and Loss in those expense categories consistent with the function of the impaired asset, except for a property previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

3.12. Revenue Recognition

The Group derives revenues primarily from sale of manufactured goods, traded goods and related services. Revenue includes adjustments made towards liquidated damages and variations wherever applicable.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Group expects to receive in exchange for those products or services.

Revenue from rendering of services is recognised over time as and when the customer receives the benefit of the Group's performance and the Group has an enforceable right to payment for services transferred.

Unbilled revenue represents value of services performed in accordance with the contract terms but not billed.

Revenue related to fixed price maintenance and support services contracts where the Group is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.

The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; or
2. The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Group's performance does not create an asset with an alternative use to the Group and an entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Export Incentive

Export incentives under various schemes notified by government are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

Interest Income

Interest income from debt instruments are recorded using the effective interest rate (EIR) and accrued on timely basis. The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit or loss.

Profit or loss on sale of Investments

Profit or Loss on sale of investments are recorded on transfer of title from the Group, and is determined as the difference between the sale price and carrying value of investment and other incidental expenses.

Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms except in the case where incremental lease reflects inflationary effect and rental income is accounted in such case by actual rent for the period.

Insurance claims

Insurance claims are accounted for to the extent the Group is reasonably certain of their ultimate collection.

3.13. Financial instruments – initial recognition and subsequent measurement

Financial assets and financial liabilities are recognised when a Group 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 Group. 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 Group 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.

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(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.

The Group 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 Group has not designated any debt instrument as at FVTPL.

(d) Equity instruments:

All equity investments in scope of Ind-AS 109 other than Investment in subsidiaries, Joint Ventures and Associates are measured at fair value. Equity instruments which are held for trading, are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Equity Investment in subsidiaries, Joint Ventures and Associates are measured at cost as per Ind AS 27 - Separate Financial Statements.

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

Impairment of financial assets

The Group 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 Group 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 Group 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 Group 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 financial instruments entered into by the Group 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 Group 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 Group has not designated any financial liability as at fair value through profit and loss.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Group are recognised at the proceeds received, net of direct issue costs.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by a Group are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group'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 Group or the counterparty.

3.14. 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 Group's cash management. Bank Overdrafts are shown within Borrowings in current liabilities in the balance sheet.

3.15. Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised in Statement of Profit or Loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset by equal annual instalments.

3.16. Taxes

Tax expense comprises of current income tax and deferred tax.

Current income tax:

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of taxable temporary differences associated with investments in subsidiaries and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable

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that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

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 taxes relate to the same taxable entity and the same taxation authority.

The Group recognizes tax credits in the nature of MAT credit as an asset only to the extent that there is convincing evidence that the Group will pay normal income tax during the specified period, i.e., the period for which tax credit is allowed to be carried forward. In the year in which the Group recognizes tax credits as an asset, the said asset is created by way of tax credit to the Statement of profit and loss. The Group reviews such tax credit asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period. Deferred tax includes MAT tax credit.

3.17. Employee Benefits

(a) Short Term Employee Benefits

All employee benefits payable within twelve months of rendering the service are classified as short term benefits. Such benefits include salaries, wages, bonus, short term compensated absences, awards, ex-gratia, performance pay etc. and the same are recognised in the period in which the employee renders the related service.

(b) Post-Employment Benefits

(i) Defined contribution plan

The Group's approved provident fund scheme, superannuation fund scheme, employees' state insurance fund scheme and Employees' pension scheme are defined contribution plans. The Group has no obligation, other than the contribution paid/payable under such schemes. The contribution paid/payable under the schemes is recognised during the period in which the employee renders the related service.

(ii) Defined benefit plan:

The employee's gratuity fund scheme, Compensatory Pension Scheme and post-retirement medical benefit schemes are Group's defined benefit plans. The present value of the obligation under such defined benefit plans is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of the Balance sheet. In case of funded plans, the fair value of plan asset is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on the net basis.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods.

(c) Other long term employment benefits:

The employee's long term compensated absences are Group's defined benefit plans. The present value of the obligation is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of the Balance sheet. In case of funded plans, the fair value of plan asset is reduced from the gross obligation, to recognise the obligation on the net basis.

(d) Termination Benefits :

Termination benefits such as compensation under voluntary retirement scheme are recognised in the year in which termination benefits become payable.

3.18. Share-based payments

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions:

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Cash-settled transactions:

In case of cash-settled transactions, a liability is recognised for the fair value of cash-settled transactions. The fair value is measured initially and at each reporting date up to and including the settlement date, with changes in fair value recognised in employee benefits expense. The fair value is expensed over the period until the vesting date with recognition of a corresponding liability. The fair value is determined with the assistance of an external valuer.

3.19. Earnings per share (EPS)

Basic EPS is computed by dividing the net profit / loss for the year attributable to ordinary equity holders of the Group 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 Group 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.

The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the consolidated financial statements by the Board of Directors.

3.20. Dividend

The Group recognises a liability (including tax thereon) to make cash or non-cash distributions to equity shareholders of the Group when the distribution is authorised and the distribution is no longer at the discretion of the Group.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the Statement of Profit and Loss.

3.21. Provisions and Contingencies

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When the Group expects some or all of a provision to be reimbursed from third parties, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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 Group 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 Group does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognised but disclosed in the consolidated financial statements when an inflow of economic benefits is probable.

3.22. Non-current assets held for sale/ distribution to owners and discontinued operations

The Group classifies non-current assets (or disposal group) as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

The criteria for held for sale classification is regarded met only when the assets is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Group treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification , and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

An impairment loss is recognised for any initial or subsequent write-down of the assets to fair value less cost to sell. A gain is recognised for any subsequent increases in the fair value less cost to sell of an assets but not in excess of the cumulative impairment loss previously recognised, A gain or loss previously not recognised by the date of sale of the non-current assets is recognised on the date of de-recognition.

Property, plant and equipment and intangible assets once classified as held for sale/ distribution to owners are not depreciated or amortised.

A discontinued operation qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations,
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
- Is a subsidiary acquired exclusively with a view to resale

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

3.23. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

4. Critical accounting estimates and assumptions

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

4.1. Estimates and assumption

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(a) Useful life of Property, plant and equipment and Intangible Assets

As described in Note 3.6 and 3.9 of the significant accounting policies, the Group reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period.

(b) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

(c) Provisions and contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS. A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Where the effect of time value of money is material, provisions are determined by discounting the expected future cash flows.

The Group has significant capital commitments in relation to various capital projects which are not recognized on the balance sheet. In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the consolidated financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Group involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

(d) Defined benefit plans

The determination of Group's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the consolidated financial statements.

Further details about defined benefit obligations are provided in Note 30.

(e) Revenue recognition

Contracts are subject to modification to account for changes in contract specification and requirements. The Group reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the consolidated selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the consolidated selling price, or as a termination of the existing contract and creation of a new contract if not priced at the consolidated selling price

The Group's contracts with customers could include promises to transfer multiple products and services to a customer. The Group assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Group allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The Group exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Notes to the Consolidated Financial Statements

Note 5 : Property, plant and equipment

(₹ in Lakhs)

Particulars	Freehold Land	Leasehold Land	Building	Plant & Machinery	Furniture & Fixture	Vehicles	Office Equipment	Computer, Server & Network	Total	Capital Work in Progress
Gross Carrying Amount										
As at April 1, 2021	**4,217.73**	**4,814.26**	**5,680.27**	**5,583.44**	**92.09**	**255.48**	**49.68**	**56.64**	**20,749.59**	**153.37**
Additions	-	-	121.23	171.70	0.26	10.08	3.20	1.07	307.54	2,912.83
Deductions (refer note 1)	-	17.23	-	7.80	0.14	10.34	-	-	35.51	-
As at April 1, 2022	**4,217.73**	**4,797.03**	**5,801.50**	**5,747.34**	**92.21**	**255.22**	**52.88**	**57.71**	**21,021.62**	**3,066.20**
Additions	-	-	920.36	1,712.77	1.61	38.99	2.59	18.87	2,695.19	6,862.59
Deductions (refer note 1)	-	17.22	1.10	6.68	33.62	20.24	-	0.38	79.24	1,226.23
As at March 31, 2023	**4,217.73**	**4,779.81**	**6,720.76**	**7,453.43**	**60.20**	**273.97**	**55.47**	**76.20**	**23,637.57**	**8,702.56**
Accumulated Depreciation and Impairment										
As at April 1, 2021	**-**	**-**	**360.76**	**1,375.65**	**49.27**	**91.44**	**29.91**	**37.03**	**1,944.06**	**-**
Depreciation for the year	-	-	216.10	525.15	7.62	29.31	6.42	5.44	790.04	-
Deductions	-	-	-	0.07	0.13	3.35	-	-	3.55	-
As at April 1, 2022	**-**	**-**	**576.86**	**1,900.73**	**56.76**	**117.40**	**36.33**	**42.47**	**2,730.55**	**-**
Depreciation for the year	-	-	231.14	596.50	6.75	29.09	5.44	7.05	875.97	-
Deductions	-	-	0.03	2.07	25.04	10.43	-	-	37.57	-
As at March 31, 2023	**-**	**-**	**807.97**	**2,495.16**	**38.47**	**136.06**	**41.77**	**49.52**	**3,568.95**	**-**
Net Carrying Amount										
As at March 31, 2023	**4,217.73**	**4,779.81**	**5,912.79**	**4,958.27**	**21.73**	**137.91**	**13.70**	**26.68**	**20,068.62**	**8,702.56**
As at March 31, 2022	4,217.73	4,797.03	5,224.64	3,846.61	35.45	137.82	16.55	15.24	18,291.07	3,066.20

Notes:

1. Deduction of leasehold land represents amortisation.
2. Refer note 13(a) for properties pledged as security.
3. Title deeds of immovable properties not held in the name of the Group.

(₹ in Lakhs)

As at 31 March 2023

Particulars	Gross Value of property (₹ In Lakhs)	Title deed held in the name of	Relation with Title holder	Property held since	Reason for not being held in the name of the company
Freehold Land	3863.33	Anveshan Heavy Engineering Limited	Old name of the Company	January 2019	The title deed is in the name of the Company's old name

As at 31 March 2022

Particulars	Gross Value of property (₹ In Lakhs)	Title deed held in the name of	Relation with Title holder	Property held since	Reason for not being held in the name of the company
Freehold Land	3863.33	Anveshan Heavy Engineering Limited	Old name of the Company	January 2019	The title deed is in the name of the Company's old name.

4 **Capital work-in-progress ageing schedule:**

As at 31 March 2023

Capital work-in-Progress	Amount in Capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	5,636.36	2,951.70	114.50	-	8,702.56
Projects temporarily suspended	-	-	-	-	-
Total	**5,636.36**	**2,951.70**	**114.50**	**-**	**8,702.56**

As at 31 March 2022

Capital work-in-Progress	Amount in Capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	2,951.70	114.50	-	-	3,066.20
Projects temporarily suspended	-	-	-	-	-
Total	**2,951.70**	**114.50**	**-**	**-**	**3,066.20**

Notes to the Consolidated Financial Statements

(₹ in Lakhs)

Note 6 : Intangible assets

Particulars	Computer Software	Patent & Technical Knowhow	Licenses	Total
Gross Carrying Amount				
As at April 1, 2021	**53.90**	**11.36**	**3,500.00**	**3,565.26**
Additions	-	-	-	-
Deductions	-	-	-	-
As at April 1, 2022	**53.90**	**11.36**	**3,500.00**	**3,565.26**
Additions	15.46	-	-	15.46
Deductions	7.53	-	-	7.53
As at March 31, 2023	**61.83**	**11.36**	**3,500.00**	**3,573.19**
Accumulated Depreciation				
As at April 1, 2021	**44.40**	**11.36**	**1,137.50**	**1,193.26**
Amortisation for the year	1.95	-	350.00	351.95
Deductions	-	-	-	-
As at April 1, 2022	**46.35**	**11.36**	**1,487.50**	**1,545.21**
Amortisation for the year	10.86	-	350.00	360.86
Deductions	2.97	-	-	2.97
As at March 31, 2023	**54.24**	**11.36**	**1,837.50**	**1,903.10**
Net Carrying Amount				
As at March 31, 2023	**7.59**	**-**	**1,662.50**	**1,670.09**
As at March 31, 2022	7.55	-	2,012.50	2,020.05

Note 7 : Financial assets

7 (a) Trade receivables - Current

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good	**14,856.22**	12,479.55
Unsecured, Considered Doubtful	**78.14**	348.86
	14,934.36	12,828.41
Less: Allowance for Doubtful Debts	**(78.14)**	(348.86)
Total Trade receivables	**14,856.22**	12,479.55

Notes:

1. No trade receivables are due from directors or other officers of the Group either severally or jointly with any person nor any trade receivables are due from firms or private companies respectively in which any director is a director, a partner or a member.
2. Trade receivables are non-interest bearing and are generally on terms of 30 to 180 days..
3. **Allowance for doubtful debts**

   Allowance for doubtful debts based on the lifetime expected credit loss model using provision matrix. Movement in allowance for doubtful debt are as follows:

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Balance as per last financial statements	**348.86**	162.82
Less: Utilised during the year	**(252.77)**	-
Less: Excess allowance written back (Refer Note 18)	**(17.95)**	-
Add/(Less): Allowance for the year (Refer Note 24)	**-**	186.04
Total Trade receivables	**78.14**	348.86

(₹ in Lakhs)

4 **Trade receivables ageing Schedule:**

As at 31 March 2023

Particulars			Outstanding for following periods from due date of payment					Total
	Unbilled Dues	Not due	Less than 6 Months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables - Considered Good	816.35	11,711.77	1,843.67	406.19	78.24	-	-	14,856.22
Undisputed Trade receivables - which have significant increase in risk	-	-	-	-	-	-	-	-
Undisputed Trade receivables - credit impaired	-	-	-	-	78.14	-	-	78.14
Disputed Trade receivables - Considered Good	-	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in risk	-	-	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-	-
Total	**816.35**	**11,711.77**	**1,843.67**	**406.19**	**156.38**	**-**	**-**	**14,934.36**

As at 31 March 2022

Particulars			Outstanding for following periods from due date of payment					Total
	Unbilled Dues	Not due	Less than 6 Months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables - Considered Good	-	9,530.13	2,274.31	535.91	123.88	15.32	-	12,479.55
Undisputed Trade receivables - which have significant increase in risk	-	-	-	-	-	-	-	-
Undisputed Trade receivables - credit impaired	-	-	-	-	121.27	117.48	110.11	348.86
Disputed Trade receivables - Considered Good	-	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in risk	-	-	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-	-
Total	**-**	**9,530.13**	**2,274.31**	**535.91**	**245.15**	**132.80**	**110.11**	**12,828.41**

7 (b) Cash and cash equivalents

Particulars	**As at March 31, 2023**	As at March 31, 2022
Cash on hand	**0.55**	0.36
Balance with Banks		
In Current accounts	**1.55**	7.74
In Cash credit accounts	**31.68**	93.41
In Fixed Deposit with original maturity of less than 3 months	**3,075.00**	848.00
Total cash and cash equivalents	**3108.78**	949.51

Notes to the Consolidated Financial Statements

(₹ in Lakhs)

7 (c) Other bank balance

Particulars	As at March 31, 2023	As at March 31, 2022
Deposits held as Margin Money*	11.47	11.15
Fixed Deposit with Banks with original maturity of more than 3 months but less then 12 months	-	4,039.11
Unpaid Dividend account#	42.70	33.21
Unpaid Fractional Share account^	96.65	96.75
Total other bank balances	150.82	4180.22

* Under lien with bank as Security for Guarantee given by the bankers.
# The company can utilised this balance towards payment of unpaid dividend only.
^ The company can utilised this balance towards payment of fractional shares only.

7 (d) Other financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good unless otherwise stated		
Non-Current		
Deposits held as Margin Money*	170.50	149.35
Security deposits	92.71	68.98
Total Non-Current Other Financial Asset (A)	263.21	218.33
Current		
Interest receivable	18.17	50.60
Total Current Other Financial Asset (B)	18.17	50.60
Total (A) + (B)	281.38	268.93

* Under lien with bank as Security for Guarantee given by the bankers.

Note 8 : Other Non-Current Assets

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good unless otherwise stated		
Capital Advances	165.95	982.21
Pre-paid expense	2.65	1.31
Other than capital advances		
Advances to suppliers, doubtful	5.85	9.16
Less: Allowance for doubtful advances	(5.85)	(9.16)
Total	168.60	983.52

Advance to Directors or to firm / Private company where director is interested.

Provision for Doubtful Advances

Movement in provision for doubtful advances:

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	9.16	5.71
Less: Excess allowance written back (Refer Note 18)	(3.31)	-
Add/(Less): Allowance for the year (Refer Note 24)	-	3.45
Balance at the end of the year	5.85	9.16

(₹ in Lakhs)

Note 9 : Inventories (At lower of cost and net realisable value)

Particulars	As at March 31, 2023	As at March 31, 2022
Raw materials	**4,723.89**	2,300.17
Stores and spares	**312.87**	202.12
Work-in-progress	**7,652.90**	6,504.37
Waste	**2.18**	13.03
Total	**12,691.84**	9,019.69

Inventory write downs are accounted, considering the nature of inventory, ageing and net realisable value for ₹ 119.66 Lakhs (March 31, 2022 ₹ 128.40 Lakhs). The changes in write downs are recognised as an expense in the Statement of Profit and Loss.

Note 10 : Current Tax Assets (Net)

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good unless otherwise stated		
Advance to suppliers	**680.10**	635.03
Balance with Government Authorities (Refer Note below (i))	**516.26**	76.44
Export incentive receivable	**31.79**	119.48
Pre-paid expense	**1,364.40**	441.67
Total	**2,592.55**	1,272.62
Advance to Directors or to firm / Private company where director is interested	-	-

(i) Balance with Government Authorities mainly consist of input credit availed.

Note 11 : Equity share capital

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	₹ in Lakh	No. of shares	₹ in Lakh
Authorised share capital				
Equity shares of ₹ 10/- each	**6,52,50,000**	**6,525.00**	6,52,50,000	6,525.00
Issued, subscribed and paid-up share capital				
Equity shares of ₹ 10/- each	**98,96,150**	**989.62**	98,81,150	988.12
Total	**98,96,150**	**989.62**	98,81,150	988.12

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

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	₹ in Lakh	No. of shares	₹ in Lakh
Outstanding at the beginning of the year	**98,81,150**	**988.12**	98,31,150	983.12
Add: Issued during the year under ESOP	**15,000**	**1.50**	50,000	5.00
Less: Shares extinguished on buy-back	**-**	**-**	-	-
Changes in Equity Share Capital during the year	**15,000**	**1.50**	50,000	5.00
Outstanding at the end of the year	**98,96,150**	**989.62**	98,81,150	988.12

Notes to the Consolidated Financial Statements

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

The Group has one class of shares having par value of ₹ 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 Group after distribution of all preferential amounts, in proportion to their shareholding.

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

Name of the Shareholder	As at March 31, 2023	
	No. of shares	% of shareholding
Aura Securities Private Limited	**35,51,617**	**35.89%**

Name of the Shareholder	As at March 31, 2022	
	No. of shares	% of shareholding
Aura Securities Private Limited	35,51,617	35.94%
Abakkus Emerging Opportunities Fund-1	5,65,000	5.72%

(iv) Shareholding of Promoters

Sr. No.	Promoters Name	As at March 31, 2023		
		No. of shares	% of total shares	% change during the year
1	Aura Securities Private Limited	35,51,617	35.89	-
2	Aura Business Ventures LLP	3,33,329	3.37	-
3	Jayshreeben Sanjaybhai Lalbhai	5,023	0.05	-
4	Kulin Sanjaybhai Lalbhai	1,960	0.02	-
5	Sanjaybhai Shrenikbhai Lalbhai	1,456	0.01	-
6	Punit Sanjaybhai Lalbhai	137	0.00	-
	Promoter Group		-	
7	Atul Limited	1,52,869	1.54	-
8	Aagam Holdings Private Limited	97,491	0.99	-
9	Arvind Farms Pvt Ltd	55,189	0.56	-
10	Samvegbhai Arvindbhai (Karta)	7,476	0.08	-
11	Snehal Mohta	7,000	0.07	-
12	Adore Investments Private Limited	6,775	0.07	-
13	Kalpana Shripal Morakhia	4,928	0.05	-
14	Anusandhan Investments Limited	4,259	0.04	-
15	Amardeep Holdings Private Limited	3,490	0.04	-
16	Aayojan Resources Private Ltd	3,370	0.03	-
17	Saumya Samvegbhai Lalbhai	2,863	0.03	-
18	Swati S Lalbhai	2,795	0.03	-
19	Taral S Lalbhai	2,642	0.03	-
20	Sunil Siddharth Lalbhai	2,581	0.03	-
21	Vimla S Lalbhai	2,577	0.03	-
22	Samvegbhai Arvindbhai Lalbhai	1,344	0.01	-
23	Hansa Niranjanbhai	1,010	0.01	-
24	Adhinami Investments Private Limited	685	0.01	-
25	Badlani Manini Rajiv	264	0.00	-
26	Astha Lalbhai	71	0.00	-
27	Akshita Holdings Private Limited	5	0.00	-
28	Aura Business Enterprise Pvt Ltd	3	0.00	-
29	Aura Merchandise Pvt. Ltd.	3	0.00	-
30	Aura Securities Pvt Ltd	3	0.00	-

(iv) Shareholding of Promoters

Sr. No.	Promoters	As at March 31, 2022		
		No. of shares	% of total shares	% change during the year
1	Aura Securities Private Limited	35,51,617	35.94	-
2	Aura Business Ventures LLP	3,33,329	3.37	-
3	Jayshreeben Sanjaybhai Lalbhai	5,023	0.05	-
4	Kulin Sanjaybhai Lalbhai	1,960	0.02	-
5	Sanjaybhai Shrenikbhai Lalbhai	1,456	0.01	-
6	Punit Sanjaybhai Lalbhai	137	0.00	-
	Promoter Group		-	
7	Atul Limited	1,52,869	1.55	-
8	Aagam Holdings Private Limited	97,491	0.99	-
9	Arvind Farms Pvt Ltd	55,189	0.56	-
10	Samvegbhai Arvindbhai (Karta)	7,476	0.08	-
11	Snehal Mohta	7,000	0.07	-
12	Adore Investments Private Limited	6,775	0.07	-
13	Kalpana Shripal Morakhia	4,928	0.05	-
14	Anusandhan Investments Limited	4,259	0.04	-
15	Amardeep Holdings Private Limited	3,490	0.04	-
16	Aayojan Resources Private Ltd	3,370	0.03	-
17	Saumya Samvegbhai Lalbhai	2,863	0.03	-
18	Swati S Lalbhai	2,795	0.03	-
19	Taral S Lalbhai	2,642	0.03	-
20	Sunil Siddharth Lalbhai	2,581	0.03	-
21	Vimla S Lalbhai	2,577	0.03	-
22	Samvegbhai Arvindbhai Lalbhai	1,344	0.01	-
23	Hansa Niranjanbhai	1,010	0.01	-
24	Adhinami Investments Private Limited	685	0.01	-
25	Badlani Manini Rajiv	264	0.00	-
26	Astha Lalbhai	71	0.00	-
27	Akshita Holdings Private Limited	5	0.00	-
28	Aura Business Enterprise Pvt Ltd	3	0.00	-
29	Aura Merchandise Pvt. Ltd.	3	0.00	-
30	Aura Securities Pvt Ltd	3	0.00	-

(v) Shares reserved for issue under options and contracts:

Refer Note 33 for details of shares to be issued under employee stock option Scheme (ANUP ESOS 2019).

(vi) In the period of five years immediately preceding March 31, 2023:

i) The Group has allotted 1,01,93,962 shares of ₹ 10/- each as fully paid without payment being received in cash pursuant to the Scheme of Arrangement sanctioned by National Company Law Tribunal vide its order dated October 26, 2018 between Arvind Limited, Arvind Fashion Limited, the Group and The Anup Engineering Limited in the year 2018-2019.

ii) The Group has not allotted any equity shares by way of bonus issue.

iii) Equity shares extinguished on buy-back

The Group has bought back 3,87,850 equity shares at an average price of ₹ 642.50 per equity share for an aggregate consideration of ₹ 2492.11 Lakhs excluding Transaction Costs. The buy-back commenced on February 24, 2021 and closed on March 15, 2021. All the shares bought back have been extinguished as per the records of the depositories.

(vii) Objective, policy and procedure of capital management, refer Note 39.

Notes to the Consolidated Financial Statements

Note 12 : Other Equity (₹ in Lakhs)

Particulars		As at March 31, 2023	As at March 31, 2022
(a)	**Capital reserve**		
	Balance as per last financial statements	5	5
	Balance at the end of the year	5	5
(b)	**Capital redemption reserve**		
	Balance as per last financial statements	38.78	38.78
	Balance at the end of the year	38.78	38.78
(c)	**Securities premium account**		
	Balance as per last financial statements	17994.32	17891.22
	Add: Received during the year	21.23	70.72
	Add: Transfer from Share based payment reserve	9.71	32.38
	Balance at the end of the year	18025.26	17994.32
(d)	**Share based payment reserve (Refer Note 33)**		
	Balance as per last financial statements	103.99	97.45
	Add: Addition during the year (Refer Note 21)	43.13	38.92
	Less: Transfer to Securities premium account	(9.71)	(32.38)
	Balance at the end of the year	137.41	103.99
(e)	**Retained earnings**		
	Balance as per last financial statements	20,210.88	14,699.34
	Add: Profit for the year	5,143.00	6,205.44
	Less: Dividend paid during the year	(790.49)	(689.58)
	Add: Other comprehensive loss for the year	8.62	(4.32)
	Balance at the end of the year	24572.01	20,210.88
Total Other Equity		42,778.46	38,352.97

Dividend on equity shares paid during the year ended	**March 31, 2023**	March 31, 2022
Final dividend for the financial year	2021-22	2020-21
Final dividend [₹ 8.00 (previous year: ₹ 7.00) per equity share of ₹ 10.00 each]	790.49	689.58

Note: Board of Directors of the Company have proposed final dividend of ₹ 15.00 per equity share for the financial year 2022-23. Proposed dividend on equity shares are subject to approval at the Annual General Meeting and hence not recognized as a liability as at 31 March, 2023. No interim dividend was declared and paid during the financial year 2022-23.

The description of the nature and purpose of each reserve within equity is as follows:

a. Capital reserve

Capital Reserve is created due to amalgamation/Business Combinations.

b. Capital Redemption Reserve

As per Companies Act, 2013, capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve.

c. Securities premium account

Securities premium reserve is created due to premium on issue of shares. These reserve is utilised in accordance with the provisions of the Companies Act.

d. Share based payment reserve

This reserve relates to share options granted by the Group to its employee share option plan. Further information about share-based payments to employees is set out in Note 33.

e. Retained Earning

Retained earnings are the profits that the Company has earned till date, less any transfer to general reserve, dividends or other distributions to shareholders.

Note 13 : Financial liabilities

13 (a) Borrowings

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Long-term borrowings		
Term loan (at amortised cost)		
Secured (Refer note (a) below)		
- From Bank	**3,002.54**	-
	3,002.54	-
Short-term		
Current maturity of long term borrowings		
Term loan (at amortised cost)		
Secured (Refer note (a) below)		
- From Bank	**431.51**	-
Total	**3,434.05**	-

Notes:

(a) Secured Borrowings

Nature of security:

Term loan of ₹ 3434.05 Lakhs

-Secured by exclusive charge on movable fixed assets (excluding current assets) present and future of the Group located at Kheda, Negative lien on land and building during the tenor of facility at Kheda and additionally secured by unconditional corporate guarantee of holding Company.

-All necessary charges are registered with ROC within the statutory period.

Rates of Interest and Terms of Repayment

Particulars	₹ In Lakhs	Range of Interest	Terms of Repayment from Balance Sheet Date
Term loan			
- Secured Rupee Loan	3,434.05	8.50%	Repayable in quarterly 16 equal instalments starting after completion of 6 months moratorium period.

13 (b) Trade payable

Particulars	As at March 31, 2023	As at March 31, 2022
Current		
Total outstanding dues of micro enterprises and small enterprises	**62.45**	30.85
Total outstanding dues of creditors other than micro enterprises and small enterprises		
Due to related parties (Refer note 31)	**94.02**	2.22
Due to others	**6,426.03**	4,296.44
Total	**6,582.50**	4,329.51

Notes to the Consolidated Financial Statements

Note 13 : Financial liabilities

(₹ in Lakhs)

Notes:

(i) Information required to be furnished as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and Schedule III of the Companies Act, 2013 for the year ended March 31, 2023. This information has been determined to the extent such parties have been identified on the basis of information available with the Group and relied upon by auditors.

Particulars	As at March 31, 2023	As at March 31, 2022
(a) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year:		
i) Principal	**62.45**	30.85
ii) Interest	**-**	-
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	**-**	-
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	**-**	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	**-**	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	**-**	-

(b) Trade payable ageing Schedule:

As at 31 March 2023

Particulars	Not due	Outstanding for following periods from due date of Payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	62.45	-	-	-	-	62.45
Others	3,142.46	3,339.35	23.67	14.57	-	6,520.05
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
Unbilled dues	-	-	-	-	-	-
Total	**3,204.91**	**3,339.35**	**23.67**	**14.57**	**-**	**6,582.50**

As at 31 March 2022

Particulars	Not due	Outstanding for following periods from due date of Payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	30.85	-	-	-	-	30.85
Others	1,449.19	2,797.94	31.30	0.83	19.40	4,298.66
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
Unbilled dues	-	-	-	-	-	-
Total	**1,480.04**	**2,797.94**	**31.30**	**0.83**	**19.40**	**4,329.51**

Notes to the Consolidated Financial Statements

(₹ in Lakhs)

13 (c) Other financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Current		
Payable to employees	**237.42**	131.47
Deposits from vendors, customers	**8.00**	3.40
Unpaid Dividend	**42.70**	33.21
Unpaid Fractional Share amount	**96.65**	96.75
Total	**384.77**	264.83

Note: As on March 31, 2023, there is no amount due and outstanding to be transferred to the Investor Education & Protection Fund (IEPF) (Previous year March 31, 2022; ₹ Nil).

Note 14 : Provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Long-term		
Provision for employee benefits (Refer note 30)		
Provision for Gratuity	**-**	33.43
	-	33.43
Short-term		
Provision for employee benefits (Refer note 30)		
Provision for leave encashment	-	13.11
Provision for Gratuity	**73.89**	50.54
	73.89	63.65
Total	**73.89**	97.08

Note 15 : Other current liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Advance from customers	**7,207.86**	6,236.99
Statutory dues (provident fund, GST and tax deducted at source etc.)	**89.21**	59.29
Other liabilities	**0.33**	0.27
Total	**7,297.40**	6,296.55

Note 16 : Current Tax Liabilities (Net)

Particulars	As at March 31, 2023	As at March 31, 2022
Current tax liabilities (net of advance)	**1,540.99**	1,037.24
Total	**1,540.99**	1,037.24

Notes to the Consolidated Financial Statements

(₹in Lakhs)

Note 17 : Revenue from operations

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Sale of products	40,314.54	27,606.85
Sale of services	90.66	381.86
	40,405.20	27,988.71
Other Operating Income		
Waste sale	645.57	689.69
Export incentives	51.29	68.38
Foreign exchange fluctuation on vendors and customers	31.75	77.38
	728.61	835.45
Total	41,133.81	28,824.16

Disaggregation of Revenue from contracts with customers

Revenue based on Geography

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Domestic	33,269.07	26,072.68
Export	7,864.74	2,751.48
Revenue from Operations	41,133.81	28,824.16

Revenue based on business segment

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Engineering Products	41,133.81	28,824.16
Revenue from Operations	41,133.81	28,824.16

Reconciliation of revenue from operation with contract price

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Revenue from contract with customers as per the contract price	41,133.81	28,913.06
Adjustment made to contract price on account of:		
Less: Sales Return	-	88.90
Revenue from Operations	41133.81	28824.16

(₹ in Lakhs)

Note 18 : Other income

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Interest income on financial assets measured at amortised cost		
- Fixed Deposits	89.21	164.02
- Loans and Advances	4.62	2.52
- Others	1.48	193.38
Sundry Credit balances appropriated	7.64	7.15
Profit on sale of Property, Plant & Equipment	-	1.87
Insurance claim	-	1.59
Provision for doubtful advance no longer required	3.31	
Provision for doubtful receivable no longer required	17.95	-
Miscellaneous income	-	6.24
Total	124.21	376.77

Note 19 : Cost of raw materials consumed

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Inventory at the beginning of the year	2,300.17	2,080.43
Add : Purchases during the year	25,744.52	16,492.25
	28,044.69	18,572.68
Less : Inventory at the end of the year	4,723.89	2,300.17
Total	23,320.80	16,272.51

Note 20 :Changes in inventories of finished goods and work-in-progress

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Inventories at the end of the year		
Waste	2.18	13.03
Work-in-Progress	7,652.90	6,504.37
	7,655.08	6,517.40
Inventories at the beginning of the year		
Waste	13.03	-
Work-in-Progress	6,504.37	4,261.55
	6,517.40	4,261.55
(Increase) / Decrease in Inventories	(1,137.68)	(2,255.85)
Total	(1,137.68)	(2,255.85)

Notes to the Consolidated Financial Statements

(₹ in Lakhs)

Note 21 : Employee benefits expense

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Salaries, Wages, Gratuity, Bonus and Commission (Refer Note 30)	**1,784.14**	1,811.82
Contribution to provident and other funds (Refer Note 30)	**145.03**	96.50
Staff welfare and training expenses	**123.48**	88.24
Share based payment to employees (Refer Note 33)	**43.13**	38.92
Total	**2,095.78**	2,035.48

Note 22 : Finance costs

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Interest expense on Financial Liabilities measured at amortised cost		
- Others	**8.12**	24.83
Interest paid to IT dept.	**0.23**	-
Other borrowing cost	**132.48**	78.30
Total	**140.83**	103.13

Note 23 : Depreciation and amortization expense

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Depreciation on Property, Plant and Equipments (Refer Note 5)	**893.19**	807.27
Amortization of Intangible assets (Refer Note 6)	**360.86**	351.95
Total	**1,254.05**	1,159.22

Note 24 : Other expenses **(₹ in Lakhs)**

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Power and fuel	356.51	272.75
Stores and spares consumed	670.85	743.37
Labour and Job Work Charges	3,422.22	2,695.21
Lease rent for Low-value assets (Refer Note 34)	12.06	63.63
Royalty	1912.26	298.22
Insurance	72.77	72.28
Printing, stationery and communication	42.61	32.36
Commission, Brokerage and Discount	72.68	21.28
Rates and taxes	7.73	8.91
Repairs :		
To Building	16.81	14.88
To Machineries	308.41	232.63
To Others	101.79	80.34
Freight, insurance and clearing charge	452.96	356.34
Inspection Fees	132.65	150.99
Advertisement and publicity	13.54	16.63
Retainer expenses	77.02	67.02
Legal and Professional charges	52.43	61.84
Expenditure under CSR Activity (Refer Note 35)	127.00	127.50
Conveyance and Travelling expenses	47.44	20.54
Director's sitting fees	5.70	4.80
Director's commission	27.00	27.00
Loss on sale of Property, Plant & Equipment	3.83	-
Liquidated damages	183.59	-
Allowance for doubtful debts (Refer Note 7(b))	-	186.04
Allowance for doubtful Advances (Refer Note 8)	-	3.45
Property, Plant & Equipment written off	7.71	-
Payment to auditors (refer note (i) below)	21.60	21.59
Bank charges	115.52	88.06
Security expenses	43.47	37.28
Miscellaneous expenses (refer note (ii) below)	276.26	69.28
Total	**8,584.42**	5,774.22

(i) Break up of Auditor's remuneration

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Payment to Auditors as		
Auditors	9.80	8.29
For tax audit	1.55	1.55
For Other Services	9.07	10.64
For reimbursement of expenses	1.18	1.11
Total	**21.60**	21.59

(ii) The Group made a contribution to an electoral trust of ₹ 200 Lakhs and ₹ Nil for the years ended March 31, 2023 and March 31, 2022 respectively, which is included in Miscellaneous expenses.

Notes to the Consolidated Financial Statements

(₹ in Lakhs)

Note 25 : Income tax

The major component of income tax expense for the years ended March 31, 2023 and March 31, 2022 are as follows:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Statement of Profit and Loss		
Current income tax	**1,815.00**	1,545.00
Excess Provision for earlier year (Refer Note below)	**-**	(1,557.37)
Deferred tax expense/(credit)	**41.82**	(80.85)
Income tax expense in the Statement of Profit and Loss	**1,856.82**	(93.22)
Statement of Other comprehensive income (OCI)		
Deferred tax expense/(credit)	**2.90**	(1.45)
Income tax expense/(credit) recognised in OCI	**2.90**	(1.45)

Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate for the year ended March 31, 2023 and March 31, 2022.

A. Current tax

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Accounting profit before tax	**6,999.82**	6,112.22
Tax Rate	**25.17%**	25.17%
Current tax expenses on Profit before tax expenses at the enacted income tax rate in India	**1,761.85**	1,538.45
Adjustment		
On account of revaluation of tax base of non-depreciable assets (due to indexation benefit)	**(36.64)**	(41.88)
Expenditure not deductible for tax/not liable to tax	**82.42**	-
(Excess)/Short Provision for earlier year	-	(1,557.37)
Other Adjustment	**49.19**	(32.42)
Total income tax expense	**1,856.82**	(93.22)
Effective tax rate	**26.53%**	(1.53%)

(₹ in Lakhs)

B. Deferred tax

The Group has accrued significant amounts of deferred tax. The majority of the deferred tax liability represents accelerated tax relief for the depreciation of property, plant and equipment. Significant components of Deferred tax (assets) & liabilities recognized in the financial statements of the Group as follows:

Particulars	Balance Sheet as at		Statement of Profit and Loss and OCI for the year ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Accelerated depreciation for tax purposes	(1,002.48)	(992.98)	9.50	12.46
Impact of fair valuation of Land	(279.23)	(315.87)	(36.64)	(41.88)
Expenditure allowable on payment basis	16.21	24.43	8.22	(6.63)
Expenditure allowable over the period (Section 35D)	-	3.08	3.08	3.08
Others	55.72	116.28	60.56	(49.33)
Deferred tax expense/(income)			**44.72**	**(82.30)**
Net deferred tax liabilities	**(1,209.78)**	**(1,165.06)**		
Reflected in the balance sheet as follows				
Deferred tax liabilities	(1,281.71)	(1,308.85)		
Deferred tax assets	71.93	143.79		
Deferred tax liabilities (net)	**(1,209.78)**	**(1,165.06)**		

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Note 26 : Contingent liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Contingent liabilities not provided for		
(i) Guarantees given by banks on behalf of the Group	**19311.69**	17415.71
(ii) Disputed Demands in respect of:		
Income tax (Refer notes below)	**113.2**	53.9

Notes :

(a) It is not practicable for the Group to estimate the timing of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.

(b) The Group does not expect any reimbursements in respect of the above contingent liabilities.

(c) The Group believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Group's financial position and results of operations.

Note 27 : Capital commitment and other commitments

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Capital commitments	**2022.35**	2,552.86
(b) Other commitments	**-**	-

Notes to the Consolidated Financial Statements

Note 28 : Foreign Exchange Derivatives and Exposures not Hedged

The Group holds derivative financial instruments such as foreign currency forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counter party for these contracts is generally a bank.

All derivative financial instruments are recognized as assets or liabilities on the balance sheet and measured at fair value. The accounting for changes in the fair value of a derivative instrument depends on the intended use of the derivative and the resulting designation. The fair values of all derivatives are separately recorded in the balance sheet within current and non-current assets and liabilities depending upon the maturity of the derivatives.

The use of derivative instruments is subject to limits, authorities and regular monitoring by appropriate levels of management. The limits, authorities and monitoring systems are periodically reviewed by management and the Board. The market risk on derivatives is mitigated by changes in the valuation of the underlying assets, liabilities or transactions, as derivatives are used only for risk management purposes. However, the Group does not have any of derivative contracts outstanding as at reporting date.

Exposure Not Hedged

Nature of exposure	Currency	As at March 31, 2023		As at March 31, 2022	
		Foreign Currency	₹ in Lakhs	Foreign Currency	₹ in Lakhs
Receivables	USD	**1417417.58**	**1,164.69**	966033.349	732.18
Payable to creditors	USD	**151877**	**124.80**	609168.31	461.70
	EURO	**21197.40**	**18.96**	20189.60	17.00

Note 29 : Segment Reporting

Identification of Segments:

The chief operational decision maker monitors the operating results of its Business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Group.

Operating Segments:

The Group's business activity falls within a single operating business segment of Engineering products.

Geographical segment

Geographical segment is considered based on sales within India and rest of the world.

(₹ in Lakhs)

Particulars	Year Ended/As at March 31, 2023	Year Ended/As at March 31, 2022
Segment Revenue*		
(a) In India	**33,269.07**	26,072.68
(b) Rest of the world	**7,864.74**	2,751.48
Total	**41,133.81**	28,824.16
Carrying Cost of Segment Non Current Assets#		
(a) In India	**30,609.87**	24,360.84
(b) Rest of the world	**-**	-
Total	**30,609.87**	24,360.84

* Based on location of Customers

\# Other than financial assets.

Information about major customers:

Considering the nature of business of Group in which it operates, the Group deals with various customers including multiple geographics. Group's revenue from sales exceeding 10% is from two (2) of its customers and its aggregate value is ₹ 16,760.58 Lakhs (March 31, 2022 : three (3) customers, ₹ 17,664.70 Lakhs).

Note 30 : Disclosure pursuant to Employee benefits

A. Defined contribution plans:

Amount of ₹ 87.17 Lakhs (March 31, 2022: ₹ 70.94 lakhs) is recognised as expenses and included in Note No. 21 "Employee benefits expense".

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Contribution to Provident Fund [Note (a)]	57.01	45.78
Contribution to Pension [Note (a)]	26.88	22.18
Contribution to Employees' State Insurance [note (b)]	3.28	2.98
Total	**87.17**	70.94

Note (a) Employees of the Group receive benefits from a provident fund, which is a defined contribution plan. The eligible employees and the Group make monthly contributions to the provident fund plan equal to a specified percentage of the employees' salary. Amounts collected under the provident fund plan are deposited in a government administered provident fund. The remaining portion is contributed to the government-administered pension fund. Employees of the Group receive benefits from a government administered provident fund, which is a defined contribution plan. The Group has no further obligation to the plan beyond its monthly contributions. Such contributions are accounted for as defined contribution plans and are recognised as employee benefits expenses when they are due in the Statement of profit and loss.

(b) The Group's Employee State Insurance Fund, for all eligible employees, is administered by ESIC Corporation. The Group is required to contribute specified amount to ESIC Corporation and has no further obligations to the same beyond its contribution.

B. Defined benefit plans:

The Group has following post employment benefit plans which are in the nature of defined benefit plans:

Gratuity

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The Gratuity plan is a Funded plan administered by a Trust and the Group makes contributions to recognised Trust in India.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method. The Group fully contributes all ascertained liabilities to the The Anup Engineering Limited Employees' Gratuity Fund Trust (the Trust). Trustees administer contributions made to the Trusts and contributions are invested in a scheme as permitted by Indian law.

The Group recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligations recognized in other comprehensive income.

Notes to the Consolidated Financial Statements

Changes in defined benefit obligation and plan assets as at March 31, 2023

(₹in Lakhs)

Particulars	As at April 1, 2022	Charged to statement of profit and loss			Benefit paid	Remeasurement gains/(losses) in other comprehensive income					Contri-butions by employer	As at March 31, 2023
		Service cost	Net interest expense	Sub-total included in statement of profit and loss (Note 21)		Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demogra-phic assum-ptions	Actuarial changes arising from changes in financial assum-ptions	Actuarial changes arising from changes in Experience adjustments	Sub-total included in OCI		
Gratuity												
Defined benefit obligation	145.68	42.24	10.43	52.67	(8.00)	-	-	4.29	9.68	13.97	-	176.38
Fair value of plan assets	(61.71)	-	(4.36)	(4.36)	8.00	(2.45)	-	-	-	(2.45)	(46.87)	(102.49)
Net Benefit liability/(asset)	**83.97**	**42.24**	**6.07**	**48.31**	**-**	**(2.45)**	**-**	**4.29**	**9.68**	**11.52**	**(46.87)**	**73.89**

Changes in defined benefit obligation and plan assets as at March 31, 2022:

Particulars	As at April 1, 2021	Charged to statement of profit and loss			Benefit paid	Remeasurement gains/(losses) in other comprehensive income					Contri-butions by employer	As at March 31, 2022
		Service cost	Net interest expense	Sub-total included in statement of profit and loss (Note 21)			Return on plan assets (excluding amounts included in net interest expense)		Actuarial changes arising from changes in financial assum-ptions	Sub-total included in OCI		
Gratuity												
Defined benefit obligation	130.35	20.96	8.85	29.81	(20.04)	-	(0.02)	4.63	(10.17)	(5.56)	-	145.68
Fair value of plan assets	(76.74)	-	(5.22)	(5.22)	20.04	(0.21)	-	-		(0.21)	-	(61.71)
Net Benefit liability/(asset)	**53.61**	**20.96**	**3.63**	**24.59**	**-**	**(0.21)**	**(0.02)**	**4.63**	**(10.17)**	**(5.77)**	**-**	**83.97**

The major categories of plan assets of the fair value of the total plan assets of Gratuity are as follows:

Particulars	As at March 31, 2023 (%) of total plan assets	As at March 31, 2022 (%) of total plan assets
Insurance fund	100.00%	100.00%
(%) of total plan assets	**100.00%**	**100.00%**

The principal assumptions used in determining above defined benefit obligations plans are shown below:

Particulars	**As at March 31, 2023**	As at March 31, 2022
Discount rate	**7.52%**	7.23%
Future salary increase	**8.00%**	8.00%
Expected rate of return on plan assets	**7.52%**	7.23%
Attrition rate	**5.00%**	5.00%
Mortality rate during employment	**Indian Assured lives Mortality (2012-14) Urban**	Indian Assured lives Mortality (2012-14) Urban
Mortality rate after employment	**NA**	NA

A quantitative sensitivity analysis for significant assumption is as shown below for the defined benefit plan:

(₹ in Lakhs)

Particulars	**Sensitivity level**	**(increase) / decrease in defined benefit obligation (Impact)**	
		Year ended March 31, 2023	Year ended March 31, 2022
Gratuity			
Discount rate	1% increase	**(13.44)**	(12.65)
	1% decrease	**15.64**	14.76
Salary increase	1% increase	**14.14**	12.96
	1% decrease	**(12.69)**	(12.06)
Attrition rate	1% increase	**(0.80)**	(1.03)
	1% decrease	**0.83**	1.13

The above sensitivity analysis may not be representative of the actual benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. In presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period.

In presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

The followings are the expected future benefit payments for the defined benefit plan :

Particulars	**As at March 31, 2023**	As at March 31, 2022
Gratuity		
Within the next 12 months	**16.27**	13.48
Between 2 to 5 years	**35.66**	29.89
Beyond 5 years	**321.25**	295.67
Total expected payments	**373.18**	339.04

Notes to the Consolidated Financial Statements

(₹ in Lakhs)

Weighted average duration of defined plan obligation (based on discounted cash flows)

Particulars	As at March 31, 2023 In Years	As at March 31, 2022 In Years
Gratuity	**13**	12

Prescribed contribution for next year - ₹ 56.28 Lakhs (Previous year ₹ 50.55 Lakhs)

C. Other Long term employee benefit plans:

Leave encashment

The Group has a policy on leave encashment which are both accumulating and non-accumulating in nature. The expected cost of accumulating leave encashment is determined by actuarial valuation performed by an independent actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the Balance Sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur. The liability of leave encashment is funded through Life Insurance Corporation.

The Group has recognised (₹ 11.16) Lakhs (March 31, 2022: ₹ 14.49 Lakhs) as expenses and included in Note No. 21 "Employee benefit expense".

Note 31 : Disclosure of Related Party Transactions in accordance with Ind AS 24 - Related Party Disclosures

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

(I)	**Key Management Personnel**	
1	Mr. Sanjay S. Lalbhai	Chairman and Non-Executive Director
2	Mr. Punit S. Lalbhai	Vice Chairman and Non-Executive Director
3	Mr. Samveg A. Lalbhai	Non-Executive Director
4	Mr. Arpit K. Patel	Independent Director
5	Mr. Ganpatraj L. Chowdhary	Independent Director
6	Ms. Reena Bhagwati	Independent Director
7	Mr. Rishi Roop Kapoor (Upto 08.10.2022)	Chief Executive Officer
8	Mr. Bhavesh Shah (Upto 10.04.2023)	Chief Financial Officer
9	Mr. Reginaldo Dsouza (w.e.f. 08.10.2022)	Chief Executive Officer
10	Mr. Nilesh Hirapara (w.e.f. 10.04.2023)	Chief Financial Officer
(II)	**Enterprise over which Key Management Personnel are able to exercise significant influence**	
1	Arvind Limited	
2	Arvind Envisol Limited	
3	Atul Limited	
(III)	**Trusts**	
1	The Anup Engineering Limited Employees' Gratuity Fund Trust	

(b) Disclosure in respect of Related Party Transactions : (₹in Lakhs)

Particulars	Key Management Personnel		Enterprise over which Key Management Personnel are able to exercise significant influence		Trust	
	Year ended		Year ended		Year ended	
	March 31, 2023	March 31, 2022	**March 31, 2023**	March 31, 2022	**March 31, 2023**	March 31, 2022
(I) Transactions during the year						
Remuneration	**301.50**	481.98	**-**	-	**-**	-
Sitting Fees	**5.70**	4.80	**-**	-	**-**	-
Commission	**27.00**	27.00	**-**	-	**-**	-
Goods purchased	**-**	-	**-**	64.77	**-**	-
Sale of goods	**-**	-	**2.11**	11.33	**-**	-
Services rendered	**-**	-	**103.31**	102.48	**-**	-
Reimbursement of expenses	**-**	-	**-**	-	**9.93**	5.68
(II) Balances at year end						
Trade and Other Payable	**-**	25.65	**94.02**	2.22	**-**	-
Loans to wholly owned subsidiary						
Other Current Liability	**-**	-	**2.48**	0.16	**-**	-
Other Current Asset	**-**	-	**-**	-	**41.85**	31.92

(c) Terms and conditions of transactions with related parties

Transaction entered into with related party are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances other than loan given, at the year-end are unsecured and interest free and settlement occurs in cash.

(d) Commitments with related parties

The Group has not provided any commitment to the related party as at March 31, 2023 (March 31, 2022: ₹ Nil)

(e) Transactions with key management personnel

Compensation of key management personnel of the Group

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Short-term employee benefits	**287.67**	463.09
Termination benefits	**13.83**	18.89
Comission to directors	**27**	27
Total compensation paid to key management personnel	**328.5**	508.98

The amounts disclosed in the table are the amounts recognised as an expense during the reporting period related to key management personnel.

Notes to the Consolidated Financial Statements

Note 32 : Earning per share

(₹in Lakhs)

Particulars		Year Ended March 31, 2023	Year Ended March 31, 2022
Earning per share			
Profit attributable to ordinary equity holders	₹ in Lakhs	**5,143.00**	6,205.44
Weighted average number of equity shares for basic EPS (a)	No.	**98,87,931**	98,76,405
Effect of potential Ordinary shares on Employee Stock Options outstanding (b)	No.	**64,234**	60,953
Weighted average number of Ordinary shares in computing diluted earnings per share (a) + (b)	No.	**99,52,165**	99,37,358
Nominal value of equity shares	₹	**10.00**	10.00
Basic earning per share	₹	**52.01**	62.83
Diluted earning per share	₹	**51.68**	62.45

Note 33 : Share based payments

A. The Group has instituted Employee Stock Option Scheme 2018 ("ESOP 2018"), Employee Stock Options Scheme (Demerger) 2018 ("ESOS DEMERGER 2018") and Anup Employee Stock Option Scheme 2019 ("Anup - ESOS 2019") pursuant to the approval of the shareholders of the Group to the Scheme in their Meetings held on 12th May 2018, 12th May 2018 and 7th August 2019 respectively. Under ESOP 2018, ESOS DEMERGER 2018 and Anup – ESOS 2019, the Group has issued 87,500; 58,371 and 57,500 options respectively convertible into equal number of Equity Shares of face value of ₹ 10 each. The following table sets forth the particulars of the options issued and vested during the Financial Year 2021-22 under ESOP 2018, ESOS DEMERGER 2018 and Anup – ESOS 2019:

Scheme	Anup ESOS 2019	Anup ESOS 2019		ESOS 2018	ESOS DEMERGER 2018
Date of grant	26-Oct-21	24-Oct-19		-	-
Expiry Date	5 years from the date of vesting	5 years from the date of vesting.		5 years from the date of grant	5 years from the date of grant
Number of options granted	20000	30000	7500	-	-
Exercise price per option	929.95	464.40	10	-	-
Vesting schedule	Step Vesting over 3 years	50% Vesting on 31-May-22 and 31-May-23 each	Vesting on 31-May-24	87,500 options vested	25,038 options vested
Vesting requirements	Based on passage of time, continued employment and achievement of vesting conditions.	Performance based vesting		Performance based vesting	Time based vesting
Exercise period	5 years from the date of vesting.	5 years from the date of vesting.		5 years from the date of vesting.	5 years from the date of vesting for 33,333 options and 3 years from the date of vesting for 25,038 options
Method of settlement	Equity	Equity		Equity	Equity

(₹in Lakhs)

B. Movement in Stock Options during the year :

The following reconciles the share option outstanding at the beginning and at the end of the year :

Particulars	Year Ended March 31, 2023					
	Anup ESOS 2019		ESOS 2018		ESOS DEMERGER 2018	
	No. of Options	Weighted Average Exercise Price	No. of Options	Weighted Average Exercise Price	No. of Options	Weighted Average Exercise Price
Outstanding at the beginning of the year	57500	567.06	37500	151.43	33333	385.29
Vested but not exercised at the beginning of the year	-	-	-	-	-	-
Granted during the year			-	-	-	-
Forfeited during the year	-	-	-	-	-	-
Exercised during the year	-	-	15000	151.43	-	-
Expired during the year	-	-	-	-	-	-
Outstanding at the end of the year	57500	567.06	22500	151.43	33333	385.29
Exercisable at the end of the year	15000	208.99	22500	151.43	33333	385.29

Particulars	Year Ended March 31, 2022					
	Anup ESOS 2019		ESOS 2018		ESOS DEMERGER 2018	
	No. of Options	Weighted Average Exercise Price	No. of Options	Weighted Average Exercise Price	No. of Options	Weighted Average Exercise Price
Outstanding at the beginning of the year	37,500	373.52	87,500	151.43	33,333	385.29
Vested but not exercised at the beginning of the year	-	-	-	-	-	-
Granted during the year	20,000	929.95	-	-	-	-
Forfeited during the year	-	-	-	-	-	-
Exercised during the year	-	-	50,000	151.43	-	-
Expired during the year	-	-	-	-	-	-
Outstanding at the end of the year	57,500	567.06	37,500	151.43	33,333	385.29
Exercisable at the end of the year	-	-	37,500	151.43	33,333	385.29

C. Share Options Exercised during the year

Option Series	No. of Options	Exercise Date	Weighted Average Share Price at Exercise Date
ESOS 2018	15,000	18-Oct-22	151.43

Share Options Exercised during the year 2021-2022

Option Series	No. of Options	Exercise Date	Weighted Average Share Price at Exercise Date
ESOS 2018	20,000	20-May-21	151.43
ESOS 2018	30,000	09-Sep-21	151.43

Notes to the Consolidated Financial Statements

(₹in Lakhs)

D. Share Options Outstanding at the end of the year:

Particulars	Anup - ESOS 2019	ESOS 2018	ESOS DEMERGER 2018
For stock options outstanding at the end of the year, the range of exercise prices and the weighted average remaining contractual life (comprising the vesting period and the exercise period)	Exercise price range – ₹ 10.00 to ₹ 929.95 Weighted average remaining contractual life – 5.50 years	Exercise price range – ₹ 151.43 Weighted average remaining contractual life –	Exercise price range – ₹ 385.29 Weighted average remaining contractual life – 3.00 years

E. Significant Assumptions of Valuation on New Grant

During the year, no options were granted.

F. Expense arising from share- based payment transactions

Total expenses arising from share- based payment transactions recognised in profit or loss as part of employee benefit expense were as follows :

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Share Based Payment to Employees	**43.13**	38.92

Note 34 : Leases

The Group has incurred ₹ 12.06 Lakhs (Previous year ₹ 63.63 Lakhs) towards expenses relating to leases of low-value assets.

Note 35: Disclosure in respect of Corporate Social Responsibility (CSR) Activities

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
a) Gross amount required to be spent by the Group during the year	**126.74**	81.19
b) Amount spend during the year (in cash)		
i) Construction/ acquisition of any asset	-	-
ii) Contribution to various Trusts / NGOs / Societies /Agencies and utilization thereon	**127.00**	127.50
iii) Expenditure on Administrative Overheads for CSR	-	-
c) Amount unspent during the year	-	-
d) Total of previous years shortfall	-	-
e) Reasons for shortfall	-	-
f) Details of related party transactions		
Name	-	-
Relationship	-	-
Amount	-	-
g) Movement of CSR Provision		
Balance as per last financial statements	-	-
Add: Provision made during the year	-	-
(Less): Utilised during the year	-	-
Balance at the end of the year	-	-

(₹in Lakhs)

Note 36: Financial Instruments by category

(i) Financial assets by category

Particulars	As at March 31, 2023				As at March 31, 2022			
	Cost	Fair value through Profit and Loss (FVTPL)	Amortised cost	Total	Cost	Fair value through Profit and Loss (FVTPL)	Amortised cost	Total
Trade receivables	-	-	14856.22	14,856.22	-	-	12,479.55	12,479.55
Cash and cash equivalents	-	-	3,108.78	3,108.78	-	-	949.51	949.51
Other bank balances	-	-	150.82	150.82	-	-	4,180.22	4,180.22
Other financial assets	-	-	281.38	281.38	-	-	268.93	268.93
Total Financial Assets	-	-	18,397.20	18,397.20	-	-	17,878.21	17,878.21

(ii) Financial liabilities by category

Particulars	As at March 31, 2023		As at March 31, 2022	
	Amortised cost	Total	Amortised cost	Total
Borrowings	3434.05	3,434.05	-	-
Trade payable	6,582.50	6,582.50	4,329.51	4,329.51
Other Financial Liabilities	384.77	384.77	264.83	264.83
Total Financial Liabilities	6,967.27	6,967.27	4,594.34	4,594.34

For Financial instruments risk management objectives and policies, refer Note 38.

Note 37 : Fair value disclosures for financial assets and financial liabilities:

The management assessed that the fair values of cash and cash equivalents, other bank balances, loans, trade receivables, other current financial assets, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values. The fair value of borrowings is calculated by discounting future cash flows using rates currently available for debts on similar terms, credit risk and remaining maturities.

For financial assets and financial liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Note 38 : Financial instruments risk management objectives and policies

The Group's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Group's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Group's risk management is carried out by a Treasury department under policies approved by the Board of directors. The Group's treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The board provides written principles for overall risk.

(a) Market risk

Market risk refers to the possibility that changes in the market rates may have impact on the Group's profits or the value of its holding of financial instruments. The Group is exposed to market risks on account of foreign exchange rates, interest rates, underlying equity prices, liquidity and other market changes.

Future specific market movements cannot be normally predicted with reasonable accuracy.

Notes to the Consolidated Financial Statements

(a1) Interest rate risk

Interest rate risk refers to the possibility that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rate.

The Group is exposed to interest rate risk of short-term and long-term floating rate instruments and on the refinancing of fixed rate debt. The Group's policy is to maintain a balance of fixed and floating interest rate borrowings and the proportion of fixed and floating rate debt is determined by current market interest rates. The borrowings of the Group are principally denominated in Indian Rupees with mix of fixed and floating rates of interest. These exposures are reviewed by appropriate levels of management at regular interval.

As on March 31, 2023, 100% of the Group's borrowings are at fixed rate of interest (March 31, 2022: Nil).

(a2) Foreign currency risk

The Group's foreign currency risk arises from its foreign operations and foreign currency transactions. The fluctuation in foreign currency exchange rates may have potential impact on the income statement and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the Group. The major foreign currency exposures for the Group are denominated in USD and EURO.

Since a part of the Group's revenue is in foreign currency and major part of the costs are in Indian Rupees, any movement in currency rates would have impact on the Group's performance. Exposures on foreign currency sales are managed through the Group's hedging policy, which is reviewed periodically to ensure that the results from fluctuating currency exchange rates are appropriately managed. The Group strives to achieve asset liability offset of foreign currency exposures and only the net position is hedged. Consequently, the overall objective of the foreign currency risk management is to minimize the short term currency impact on its revenue and cash-flow in order to improve the predictability of the financial performance. The Group may use forward contracts, foreign exchange options or currency swaps towards hedging risk resulting from changes and fluctuations in foreign currency exchange rate. These foreign exchange contracts, carried at fair value, may have varying maturities varying depending upon the primary host contract requirements and risk management strategy of the Group. Hedge effectiveness is assessed on a regular basis. Details of the hedge & unhedged position of the Group given in Note 28.

Foreign currency sensitivity

The foreign exchange rate sensitivity is calculated by the aggregation of the net foreign exchange rate exposure in USD and EURO with a simultaneous parallel foreign exchange rates shift in the currencies by 1% against the functional currency of the respective entities. The Group's exposure to foreign currency changes for all other currencies is not material.

(₹ in Lakhs)

Particulars	Change in Currency rate	Effect on profit before tax on Account of change in USD rate	Effect on profit before tax on Account of change in EURO rate
March 31, 2023	+1%	10.40	-0.19
	-1%	-10.40	0.19
March 31, 2022	+1%	2.70	-0.17
	-1%	-2.70	0.17

The movement in the pre-tax effect is a result of a change in the fair value of financial instruments not designated in a hedge relationship. Although the financial instruments have not been designated in a hedge relationship, they act as an economic hedge and will offset the underlying transactions when they occur.

(b) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Financial instruments that are subject to concentrations of credit risk materially consists of trade receivables, investments and derivative financial instruments.

The Group is exposed to credit risk from its operating activities (primarily trade receivables and also from its investing activities including deposits with banks, forex transactions and other financial instruments) for receivables, cash and cash equivalents, financial guarantees and derivative financial instruments.

All trade receivables are subject to credit risk exposure. The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country, in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through established policies, controls relating to credit approvals and procedures for continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit. The history of trade receivables shows a negligible provision for bad and doubtful debts. Therefore, the Group does not expect any material risk on account of non-performance by any of the Group's counterparties. The Group does not have significant concentration of credit risk related to trade receivables. However, 1 customer contribute to more than 10% of outstanding accounts receivable as of March 31, 2023 (3 customers contribute to more than 10% of outstanding accounts receivable as of March 31, 2022).

Trade receivables are non-interest bearing and are generally on 30 days to 180 days credit term.

With respect to derivatives, the Group's forex management policy lays down guidelines with respect to exposure per counter party i.e. with banks with high credit rating, processes in terms of control and continuous monitoring. The fair value of the derivatives are credit adjusted at the period end.

(c) Liquidity risk

Liquidity risk is defined as the risk that the Group 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 Group generates cash flows from operations to meet its financial obligations, maintains adequate liquid assets in the form of cash & cash equivalents and has undrawn short term line of credits from banks to ensure necessary liquidity. The Group closely monitors its liquidity position and deploys a robust cash management system.

The Group requires funds both for short-term operational needs as well as for long-term investment programmes mainly in growth projects

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

(₹ in Lakhs)

Particulars	**< 1 year**	**>1 year but < 5 years**	**more than 5 years**	**Total**
March 31, 2023				
Trade payables	6,582.50	-	-	6,582.50
Other financial liabilities	384.77	-	-	384.77
	6,967.27	**-**	**-**	**6,967.27**
March 31, 2022				
Trade payables	4,329.51	-	-	4,329.51
Other financial liabilities	264.83	-	-	264.83
	4,594.34	**-**	**-**	**4,594.34**

Notes to the Consolidated Financial Statements

Note 39 : Capital management

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group'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.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions or its business requirements to optimise return to our shareholders through continuing growth. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The funding requirements are met through a mixture of equity, internal fund generation and other non-current borrowings. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest bearing loans and borrowings less cash and short-term deposits (including other bank balance). The Group is not subject to any externally imposed capital requirements.

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Borrowings	**3434.05**	-
Total Equity (Refer note 11 & 12)	**43768.08**	39341.09
Debt to total equity (times)	**0.08**	-

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any long term borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the current period.

Note 40 : Code on Social Security, 2020

The Parliament of India has approved the Code on Social Security, 2020 (the Code) which may impact the contributions by the Group towards provident fund, gratuity and ESIC. The Code has been published in the Gazette of India. However, the effective date has not yet been notified. The Group will assess the impact of the Code when it comes into effect and will record related impact, if any, in the period the Code becomes effective.

Note 41 : Recent Pronouncements

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these standards, if applicable, as and when they become effective. The Ministry of Corporate affairs (MCA) has notified certain amendments to Ind AS, through Companies (Indian Accounting Standards) Amendment Rules, 2023 on March 31, 2023. The amendments have been made in the following standards:

Ind AS 1

Presentation of Financial Statements is amended to replace the term "significant accounting policies" with "material accounting policy information" and providing guidance relating to immaterial transactions, disclosure of entity specific transactions and more.

Ind AS 8

Accounting Policies, Changes in Accounting Estimates and Errors to include the definition of accounting estimates as "monetary amounts in financial statements that are subject to measurement uncertainty."

Ind AS 12

Income Taxes relating to initial recognition exemption of deferred tax related to assets and liabilities arising from a single transaction.

Other Amendments

Ind AS 102 – Share based Payments, Ind AS 103 – Business Combinations, Ind AS 109 – Financial Instruments, Ind AS 115 – Revenue from Contracts with Customers which are mainly editorial in nature in order to provide better clarification of the respective Ind AS's.

Notes to the Consolidated Financial Statements

Note 42 : Other Notes

a. During the year ended March 31, 2023 and March 31, 2022, the Group has not advanced or loaned or invested funds (either borrowed funds or share premium or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

Further, during the year ended March 31, 2023 and March 31, 2022, the Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall: i) 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 ii) provide any guarantee, security, or the like on behalf of the ultimate beneficiaries.

b. The Group has not invested or traded in Crypto Currency or Virtual Currency during the year ended March 31, 2023 (Previous year: Nil).

c. No proceedings have been initiated on or are pending against the Group for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder during the year ended March 31, 2023 (Previous year: Nil).

d. The Group has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority during the year ended March 31, 2023 (Previous year: Nil).

e. The Group has not surrendered or disclosed as income any transactions not recorded in the books of accounts in the course of tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961) during the year ended March 31, 2023 (Previous year: Nil).

f. The Group does not have any transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the year ended March 31, 2023 (Previous year: Nil).

g. The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

Notes to the Consolidated Financial Statements

Note 43 : Financial Ratios

Sr.	Type of Ratio	Numerator	Denominator	2022-23	2021-22	Variance (in %)	Remarks for variance more than 25%
1	Current Ratio (In times)	Current Assets	Current Liabilities	2.05	2.33	(12.10%)	Not Applicable
2	Debt-Equity Ratio (In times)	Total Debt	Total Equity	0.08	-	100%	Not Applicable
3	Debt Service Coverage Ratio (In times)	Earnings before Interest, Depreciation and amortisation and after tax other adjustments like loss/profit on sale of Fixed assets etc.	Debt Service	805.63	300.68	167.93%	Reduction in interest cost and increase in EBIT
4	Return on Equity Ratio (%)	Net Profit after Tax	Average Total Equity	12.38%	16.99%	(27.15%)	Reduction in net profit
5	Inventory turnover Ratio (In times)	Revenue from operations	Average Inventories	3.79	3.67	3.18%	Not Applicable
6	Trade Receivables turnover Ratio (In times)	Revenue from operations	Average Trade Receivables	3.01	2.45	22.64%	Not Applicable
7	Trade Payables turnover Ratio (In times)	Total purchases	Average Trade Receivables	5.81	6.03	(3.71%)	Not Applicable
8	Net capital turnover Ratio (In times)	Revenue from operations	Working Capital	2.40	1.80	33.14%	Not Applicable
9	Net profit Ratio (%)	Net Profit after Tax	Revenue from operations	12.50%	21.53%	(41.92%)	Reduction in net profit
10	Return on Capital employed (%)	Profit before Interest, Exceptional Items and Tax	Total Capital Employed ((Total Equity + Total Debt + Deferred Tax Liabilities/(Asse ts)	14.75%	15.34%	(3.87%)	Not Applicable
11	Return on investment (%)	Refer (a) below		26.26%	39.84%	(34.09%)	Impact of market dynamics

Note (a) : Return on Investment

$$\frac{(MV(T1)-MV(To)-Sum[C(t)])}{(MV(To)+Sum[W(t)*C(t)])}$$

Where,

T1 = End of time period

To = Begning of time period

t = Specific date falling between T1 and To

MV(T1) = Market Value at T1

MV(To) = Market Value at To

C(t) = Cash inflow, cash outflow on specific date

W(t) = Weight of the net cashflow (i.e. either net inflow or net outflow) on day 't', calculated as (T1-t)/T1

Note 44 : Events occuring after the reporting period

The Group evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of financial statements to determine the necessity for recognition and/or reporting of subsequent events and transactions in the financial statements. As of May 17, 2023, there were no subsequent events and transactions to be recognized or reported that are not already disclosed.

Note 45 : Regrouped, Recast, Reclassified

Material regroupings: Appropriate adjustments have been made in the statements of assets and liabilities, statement of profit and loss and cash flows, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited financials of the Group as at March 31, 2023.

The Anup Advantages

The Anup Engineering Limited

India's Leading Heat Exchanger Manufacturer

Expertise

- Full range of engineering services: Thermal, Mechanical, FEA, CFD, 3 D Modelling
- Technology Products such as Helixchanger, Embaffle

Excellence

- More than 61 years of experience in fabrication of different type of Heat Exchanger
- With Wide Range of metallurgies

Efficient

- Unparalleled Delivery Record
- Versatile and Flexible : Offer equipment from 10 MT to 500 MT weight
- Managing Large Project

Experience

- Supplied Equipment in more than 31 Countries across All continents
- In Compliance with Global Construction codes

OUR ESTABLISHED CAPACITY

ODHAV

KHEDA

Anup ENGINEERING

If Undelivered please return to:
THE ANUP ENGINEERING LIMITED
CIN: L29306GJ2017PLC099085
Behind 66 KV Elec. Sub-Station, Odhav Road, Ahmedabad - 382415, Gujarat, India