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WTH
STORY

ANNUAL REPORT
2023-24



Corporate Information

Board of Directors

Mr. Sanjay S. Lalbhai	Chairman & Non-Executive Director
Mr. Punit S. Lalbhai	Vice Chairman & Non-Executive Director
Mr. Samvegbbhai Lalbhai	Non-Executive Director
*Mr. Arpit Patel	Independent Director
Mr. Ganpatraj Chowdhary	Independent Director
Ms. Reena Bhagwati	Independent Director
**Mr. Dhinal Shah	Independent Director
**Mr. Gokul Jaykrishna	Independent Director

***Audit Committee

Mr. Dhinal Shah	Chairman
Mr. Ganpatraj Chowdhary	Member
Ms. Reena Bhagwati	Member
Mr. Gokul Jaykrishna	Member

***Nomination and Remuneration Committee

Ms. Reena Bhagwati	Chairperson
Mr. Punit S. Lalbhai	Member
Mr. Ganpatraj Chowdhary	Member
Mr. Gokul Jaykrishna	Member

***Stakeholders Relationship Committee

Mr. Punit S. Lalbhai	Chairman
Mr. Ganpatraj Chowdhary	Member
Mr. Dhinal Shah	Member
Mr. Gokul Jaykrishna	Member

***Corporate Social Responsibility Committee

Mr. Punit S. Lalbhai	Chairman
Mr. Ganpatraj Chowdhary	Member
Mr. Dhinal Shah	Member
Mr. Gokul Jaykrishna	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 and **Managing Director
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
RBL Bank Limited

Registered/ Corporate Office

Behind 66 KV Elec. Sub-Station,
Odhav Road, Ahmedabad- 382415, Gujarat, India.
Tel: +91 79 4025 8900, 4025 8920 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

Contents

Particulars	Page No.
Corporate Information	02
Message from CEO	03
Notice	04
Directors' Report	18
Management Discussion and Analysis	34
Business Responsibility and Sustainability Report	37
Corporate Governance Report	70
Financial Statements	93

* Cession due to sad demises on 21st May 2024

** Appointed on 6th July 2024

*** Reconstituted on 6th July 2024



Message from Chief Executive Officer

Dear Shareholders,

The financial year 2023-24 was truly a test of our execution capabilities, in line with our strategies. I believe the team at Anup demonstrated sheer resilience amidst all challenges to post a healthy performance on financial numbers and also coming true to our customer expectations in terms of delivering most projects on time, addressing a larger exports business thereby emerging as a true global player.

In the Financial year 2023-24, we achieved a revenue of ₹ 550.38 Crores, an encouraging growth of 34%, with an EBITDA of ₹ 126.90 Crores an increase of 53% YOY. PAT stood at ₹ 103.47 Crores almost doubled YOY. The revenue from exports outside India was 31% (41% including Deemed exports). An On-time delivery performance of 95%, meant we were largely able to deliver equipment's successfully as per our customer requirements. The working capital was encouraging at an average 4 Turns, mainly on account of consistent revenue generation, good collections and better customer advances. The order booking has also been encouraging with around ₹ 853 Crores worth new orders booked in the year which translates into an order book position of ₹ 854 Crores as we ended the year. This surely reflects the confidence our customers have in our capabilities entrusting us with valuable opportunities, which places us well for the year 2024-25.

There have been some interesting developments in the financial year 2023-24, both at operations and strategic levels. To name a few, the phase 1 of our new facility at Kheda - Guajrat, was commissioned and operational. This added about 6,000 square meters of shop area, which is 20% of our master plan for Kheda facility. This provides that additional capacity to fulfil our growth. We established our new Design office at Vadodara - Gujarat, helping us being close to our esteemed customers. We made our 1st acquisition in the form of Mabel Engineers Private Limited, a manufacturing company in Tamil Nadu, India. This strategic acquisition provides us with added products like the Silos, Tanks and Site service expertise. Moreover, it provides a geographical spread in terms of our manufacturing locations and also helps serve our SEFE market more competitively.

Our strategic focus on expanding our export footprint has yielded good results. Of the pending order book of ₹ 854 Crores, 57% is exports. This sets us up for an even better performance on exports for the year 2024-25.

The market outlook provides interesting opportunities in the future. We continue to see traction on Capex into capital goods especially focused on Petrochemicals, Gas, Fertilizer, Hydrogen and Specialty chemicals. 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 to expand capacities. The goal in India to double the refining capacity by Year 2030 and also be a leader in petrochemicals, will manifest into good projects hitting the ground. Climate change is a serious concern globally, and the shift to low carbon emitting energy mix will be the way forward and Hydrogen forms a very important part of this new energy mix. The hydrogen projects offer a big opportunity for manufacturers like us, both for Blue hydrogen to start with and Green hydrogen in the near future. Announcement of new coal/ lignite gasification plants also provides new opportunities in this segment. Moreover, GDP growth aspirations announced by developing countries meant the conventional Oil & Gas and Petroleum products will continue to be an important part of their energy mix driving growth, in addition to the focus on cleaner energy mix. Good macro indicators on the sectors we serve, provides a reasonable confidence to continue our growth momentum, with opportunities, both in domestic and in exports. I am sure that team ANUP will be able to capitalize on the momentum and continue the growth journey, serving our esteemed customers in being the most trusted brand.

I wish to take this opportunity to thank all our esteemed customers, our supply chain partners, our share holders, all our Stakeholders, our Bankers and our Employees for trusting and standing by us as we deliver yet another good performance.

Best regards,

Reginaldo Dsouza
Chief Executive Officer

Notice

Notice is hereby given that the **7th (Seventh)** Annual General Meeting (“AGM”) of the Members of **The Anup Engineering Limited** will be held on Saturday, 3rd August 2024 at 11:00 a.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 of the Company for the Financial Year ended 31st March 2024 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. Samvegbbhai Lalbhai (holding DIN 00009278), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

- 4 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 4th May 2024, as Cost Auditor to conduct the audit of the cost records of the Company for the financial year 2024-25, on a remuneration of ₹ 35,000/- 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.

- 5 Appointment of Mr. Dhinal Shah (DIN: 00022042) as an Independent Director of the Company

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

RESOLVED THAT in accordance with, the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’), and the Rules made thereunder, read with Schedule IV of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’) (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force) and the Articles of Association of the Company, and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Mr. Dhinal Ashvinbhai Shah (DIN: 00022042), who was

appointed as an Additional Director (Non-Executive Independent) of the Company with effect from 6th July 2024, and who holds office upto the date of this Annual General Meeting (AGM) and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act, proposing his candidature for the office of a Director, be and is hereby appointed as a Non-Executive Independent Director of the Company, to hold office for a term of 5 (Five) consecutive years with effect from 6th July 2024 to 5th July 2029 (both days inclusive) and shall not be liable to retire by rotation.

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 Appointment of Mr. Gokul Jaykrishna (DIN: 00671652) as an Independent Director of the Company

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

RESOLVED THAT in accordance with, the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’), and the Rules made thereunder, read with Schedule IV of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’) (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force) and the Articles of Association of the Company, and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Mr. Gokul Jaykrishna (DIN: 00671652), who was appointed as an Additional Director (Non-Executive Independent) of the Company with effect from 6th July 2024, and who holds office upto the date of this Annual General Meeting (AGM) and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act, proposing his candidature for the office of a Director, be and is hereby appointed as a Non-Executive Independent Director of the Company, to hold office for a term of 5 (Five) consecutive years with effect from 6th July 2024 to 5th July 2029 (both days inclusive) and shall not be liable to retire by rotation.

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 Appointment of Mr. Reginaldo Dsouza (DIN: 08590850) as Managing Director of the Company

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 Section 152 and other applicable provisions, if any, of the Companies Act, 2013, the

Companies (Appointment and Qualifications of Directors) Rules, 2014, including any statutory modification(s) or re-enactment thereof for the time being in force, Mr. Reginaldo Dsouza (DIN: 08590850) who was appointed by the Board of Directors as an Additional Director of the Company with effect from 6th July 2024 in terms of Section 161 of the Companies Act 2013 and the Articles of Association of the Company and who is eligible for appointment as a Director and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act 2013 from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 196, 197, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and also subject to the approval of the Central Government, if required, the consent of the Company be and is hereby accorded to the appointment of Mr. Reginaldo Dsouza, as Managing Director for a period of three years commencing from 6th July 2024 to 5th July 2027, and that he be paid remuneration by way of salary, perquisites, allowances and commission as may be approved by the Board of Directors of the Company and the Nomination & Remuneration Committee (NRC) and as set out in the Explanatory Statement annexed hereto.

RESOLVED FURTHER THAT wherein any financial year during the currency of the tenure of office of Mr. Reginaldo Dsouza as Managing Director, if there is profit then the overall managerial remuneration payable to Mr. Reginaldo Dsouza shall be such amount as may be fixed by the Board of Directors from time to time on recommendation of the NRC, but shall not exceed 5% (five per cent) of net profits of the Company as laid down in Section 197 read with Part II of Section I of Schedule V to the Companies Act, 2013.

RESOLVED FURTHER THAT in the event, if the Company has no profits or its profits are inadequate in any financial year, the Company will pay a minimum remuneration by way of salary, perquisites, benefits and allowances, performance incentive, etc. for a period not exceeding 3 (Three) years as per Part II of Section II (A) of Schedule V to the Companies Act, 2013 and rules made thereunder or any statutory modifications and / or re-enactment thereof as may be decided by the Board from time to time on recommendation of NRC.

RESOLVED FURTHER THAT the Board of Directors and the NRC be and are hereby severally authorized to alter and vary such terms of appointment and remuneration so as to not exceed the limits specified in Schedule V to the Companies Act, 2013, as may be agreed to by the Board of Directors and Mr. Reginaldo Dsouza.

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

Registered Office:

Behind 66 KV Elec. Sub-Station,
Odhav Road,

Ahmedabad-382415

Date: 6th July 2024

By order of the Board

For The Anup Engineering Limited

Chintankumar Patel

Company Secretary

Membership No. A29326

NOTES

- Pursuant to the Circular No 14/2020, 17/2020, 20/2020, 02/2021, 19/2021, 21/2021, 02/2022, 10/2022 and 9/2023 dated 8th April 2020, 13th April 2020, 5th May 2020, 13th January 2021, 8th December 2021, 14th December 2021, 5th May 2022, 28th December 2022 and 25th September 2023, respectively, ("MCA Circulars") and Securities and Exchange Board of India vide its circular dated 7th October 2023 read with 12th May 2020, 15th January 2021, 13th May 2022 and 5th January 2023 ("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 7th AGM through VC/OAVM only.** The deemed venue for the 7th 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.
- 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.
- The Register of Members and Share Transfer Books of the Company will remain closed from Sunday, the 28th July 2024 to Saturday, the 3rd August 2024. (Both days inclusive).
- DIVIDEND:** The dividend on equity shares for the year ended 31st March 2024, 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 Saturday, the 27th July 2024 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 Saturday, the 27th July 2024.

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: <https://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, 2021-22 and 2022-23 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 2023-24 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 2023-24 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](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, 5, 6 and 7 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, 5, 6 and 7 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/POD-1/P/CIR/2023/181 dated 17th November 2023 read with SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November 2021 and SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16th March 2023 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, IFSC code), Specimen Signature and Nomination of all shareholders holding shares in physical form. 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.**

Please note that as mandated by Securities & Exchange Board of India ("SEBI") the allotment of equity shares shall be made only in dematerialised form. Accordingly, the Bonus Equity Shares of the Members in physical form have been credited to the separate demat Escrow account maintained by the Company. Members are requested to claim the shares from Escrow demat account maintained by the Company, you are requested to submit following documents:

- I. Request letter duly signed by all the shareholders
- II. Form ISR 4 (Please select the option - Claim from Unclaimed Suspense Account)
- III. Self-attested copy of Client Master List
- IV. Self attested copy of Pan Card for all shareholders
- V. Self attested address proof
- VI. Form ISR -1 for registration of KYC details if not done earlier
- VII. Form SH-13 for registration of KYC details if not done earlier
- VIII. Signature Verification as per ISR – 2 Form for registration of KYC details if not done earlier

The above forms are available on web site of RTA and the Company.

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 & 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 27th July 2024. 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, 31st July 2024
 - b. End of remote e-Voting: 5.00 P.M. (IST) on Friday, 2nd August 2024
 - 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.	<ol style="list-style-type: none"> 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 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 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. 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/IdasDirectReg.jsp 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

Type of shareholders	Login Method
	<p>the meeting.</p> <ol style="list-style-type: none"> Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <p>NSDL Mobile App is available on</p> <p> App Store  Google Play</p> <p> </p>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 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 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 use your existing my easi username & password. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by company. On clicking the e-Voting 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 are 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. 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. 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 e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.

Type of shareholders	Login Method
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 above mentioned 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.com or call at 022-48867000
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@cslindia.com or contact at toll free no. 1800225533

(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?

- 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 Shareholders' section.
 - 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:

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - 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.
 - How to retrieve your 'initial password'?
 - 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'.
 - 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:
- 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.
 - "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - 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:

- a) 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.
- b) 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.
- c) 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.: 022 - 4886 7000 or send a request to Ms. Pallavi Mhatre at evoting@nsdl.com.

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 email address)	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 .
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:

- I. 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.
- II. Members are encouraged to join the Meeting through Laptops for better experience.
- III. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

- IV. 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.
- V. Members who need assistance before or during the meeting, can contact NSDL on evoting@nsdl.com or contact at 022-4886 7000
- VI. Members seeking any information with regard to the annual accounts for financial year 2023-24 or any business to be dealt at the AGM, are requested to send e-mail on investorconnect@anupengg.com on or before Saturday, the 27th July 2024 along with their name, DP ID and Client ID/folio number, PAN and mobile number. The same will be replied by the Company suitably.
- VII. 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 27th July 2024. 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 KVElec. Sub-Station,
Odhav Road,
Ahmedabad-382415
Date: 6th July 2024

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 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 2024-25 and fixed the remuneration of ₹ 35,000/- (Thirty Five 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 2024.

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 Appointment of Mr. Dhinal Shah (DIN: 00022042) as an Independent Director of the company

The Board of Directors, upon recommendation of Nomination and Remuneration Committee held on 6th July 2024, appointed Mr. Dhinal Shah (DIN: 00022042) as an Additional Director of the Company in the capacity of Independent Director for a term of 5 years with effect from 6th July 2024 to 5th July 2029, subject to approval of the Members of the Company.

Mr. Dhinal Shah is qualified to be appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. The Company has also received a declaration from Mr. Dhinal Shah that he meets the criteria of independence as prescribed, both, under Section 149(6) of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (“**Listing Regulations**”) and that he is not debarred from holding the office of director by virtue of any order passed by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority. The Company has also received a notice under Section 160 of the Act from a member proposing the candidature of Mr. Dhinal Shah for the office of Independent Director of the Company.

Brief Profile:

Mr. Dhinal Shah is a Practicing Advocate. He is also a Chartered Accountant by qualification. He has more than 30 years of experience in advising clients on taxation, exchange control, Insolvency and Corporate Laws.

He has been extensively involved in advising Indian corporate and multinationals on issues relating to double tax treaties (PE exposures, optimizing tax credits etc), due diligence, transfer pricing, foreign tax systems implications, corporate tax and accounting standards including IFRS, Insolvency Professional.

He is an Executive Committee Member of International Fiscal Association and Secretary of ITAT Bar Association, Ahmedabad. He was a Central Council Member of The Institute of Chartered Accountants of India, Director of IPA and RVO formed by ICAI and was Chairman of Direct Tax Committee of Gujarat Chamber of Commerce and Industries.

He is visiting faculty at IIM on Professional topics. He has also addressed and presented papers at various seminars and conferences on international taxation, non-resident taxation, transfer pricing, domestic taxation, Accounting Standards, Insolvency and Bankruptcy Code, Valuation Standards etc. He is also a regular contributor of articles to Institute and other professional journals. He has also co-authored book.

In the opinion of the Board, Mr. Dhinal Shah fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder and Listing Regulations for his appointment as an Independent Director of the Company and is independent of the management.

Nomination and Remuneration Committee reviewed the capabilities of Mr. Dhinal Shah vis a vis the role and capabilities required as decided by the Committee based on the evaluation of balance of skills, knowledge and experience of the existing Board and considered appropriate, to recommend the appointment of Mr. Dhinal Shah as an Independent Director, for a term of 5 (Five) consecutive years effective from 6th July 2024 to 5th July 2029. In the opinion of Nomination and Remuneration Committee and the Board of Directors, Mr. Dhinal Shah possesses appropriate skills, knowledge and expertise required for the efficient functioning of the Company more particularly in the areas Finance, Corporate Governance, Risk Management and Internal Audit.

In the opinion of the Board, the Company will benefit from his valuable experience, knowledge and counsel.

In line with the Company's remuneration policy for Independent Directors, Mr. Dhinal Shah will be entitled to receive remuneration by way of sitting fees as approved by the Board of Directors and commission on a yearly basis of such sum as may be approved by the Board of Directors on the recommendation of the Nomination and Remuneration Committee within the overall limits under Companies Act, 2013 up to 1% of the net profits of the Company during any financial year, in aggregate payable to all Non-Executive Directors put together.

The Board of Directors also appointed Mr. Dhinal Shah as Chairman of Audit Committee and Member of Stakeholder's Relationship Committee and Corporate Social Responsibility Committee of the Board with effect from 6th July 2024.

Draft letter of appointment of Mr. Dhinal Shah setting out the terms and conditions of appointment is being made available for inspection by the Members through electronic mode.

The additional details of Mr. Dhinal Shah in terms of Regulation 36(3) of the Listing Regulation and Secretarial Standard 2 are given in **Annexure** to this Notice.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives, except Mr. Dhinal Shah and his relatives, are concerned or interested, financially or otherwise, in the resolution set out in the Notice.

The Board recommends this Special Resolution for your approval.

Item No. 6 Appointment of Mr. Gokul Jaykrishna (DIN: 00671652) as an Independent Director of the company

The Board of Directors, upon recommendation of Nomination and Remuneration Committee held on 6th July 2024, appointed Mr. Gokul Jaykrishna (DIN: 00671652) as an Additional Director of the Company in the capacity of Independent Director for a term of 5 years with effect from 6th

July 2024 to 5th July 2029, subject to approval of the Members of the Company.

Mr. Gokul Jaykrishna is qualified to be appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. The Company has also received a declaration from Mr. Gokul Jaykrishna that he meets the criteria of independence as prescribed, both, under Section 149(6) of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (“**Listing Regulations**”) and that he is not debarred from holding the office of director by virtue of any order passed by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority. The Company has also received a notice under Section 160 of the Act from a member proposing the candidature of Mr. Gokul Jaykrishna for the office of Independent Director of the Company.

Brief Profile:

Mr. Gokul Jaykrishna has over 26 years’ experience in the chemical and pigments industries. He is a promoter of Asahi Songwon Colors Limited. He was working in Krieger Associates, New Jersey, USA one of the most influential currency and options trader in USA. He has done his specialization in Finance from Lehigh University USA. Since, 1996 he is in charge of operation of Asahi Songwon Colors Limited including finance, production, marketing and strategic development of the company. He is also on board of AksharChem (India) Limited.

In the opinion of the Board, Mr. Gokul Jaykrishna fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder and Listing Regulations for his appointment as an Independent Director of the Company and is independent of the management.

Nomination and Remuneration Committee reviewed the capabilities of Mr. Gokul Jaykrishna vis a vis the role and capabilities required as decided by the Committee based on the evaluation of balance of skills, knowledge and experience of the existing Board and considered appropriate, to recommend the appointment of Mr. Gokul Jaykrishna as an Independent Director, for a term of 5 (Five) consecutive years effective from 6th July 2024 to 5th July 2029. In the opinion of Nomination and Remuneration Committee and the Board of Directors, Mr. Gokul Jaykrishna possesses appropriate skills, knowledge and expertise required for the efficient functioning of the Company more particularly in the areas Finance, Corporate Governance, Technology and Innovation.

In the opinion of the Board, the Company will benefit from his valuable experience, knowledge and counsel.

In line with the Company’s remuneration policy for Independent Directors, Mr. Gokul Jaykrishna will be entitled to receive remuneration by way of sitting fees as approved by the Board of Directors and commission on a yearly basis of such sum as may be approved by the Board of Directors on the recommendation of the Nomination and Remuneration Committee within the overall limits under Companies Act, 2013 up to 1% of the net profits of the Company during any financial year, in aggregate payable to all Non-Executive Directors put together.

The Board of Directors also appointed Mr. Gokul Jaykrishna as Member of Audit Committee, Nomination and Remuneration Committee, Stakeholder’s Relationship Committee and Corporate Social Responsibility Committee of the Board with effect from 6th July 2024.

Draft letter of appointment of Mr. Gokul Jaykrishna setting out the terms

and conditions of appointment is being made available for inspection by the Members through electronic mode.

The additional details of Mr. Gokul Jaykrishna in terms of Regulation 36(3) of the Listing Regulation and Secretarial Standard 2 are given in **Annexure** to this Notice.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives, except Mr. Gokul Jaykrishna and his relatives, are concerned or interested, financially or otherwise, in the resolution set out in the Notice.

The Board recommends this Special Resolution for your approval.

Item No. 7 Appointment of Mr. Reginaldo Dsouza (DIN: 08590850) as a Managing Director of the Company

The Board of Directors in the meeting held on 6th July 2024, on recommendation of Nomination and Remuneration Committee (“NRC”) appointed Mr. Reginaldo Dsouza (DIN: 08590850) as an Additional Director designated as Managing Director of the Company with effect from 6th July 2024.

In terms of section 160 of the Companies Act, 2013, the Company has received a notice in writing, from a member, proposing the candidature of Mr. Reginaldo Dsouza, for the office of Director. The Company has also received from Mr. Reginaldo Dsouza, a consent to act as a Director in terms of section 152 of the Companies Act, 2013 and a declaration that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013. The NRC and the Board of Directors of the Company are of the opinion that Mr. Dsouza is fit and proper persons to hold the said office and his appointment will be in the interest of the Company.

The material terms of remuneration of Mr. Reginaldo Dsouza effective from 6th July 2024 to 5th July 2027, as approved by both NRC and Board of Directors in their respective meetings held on 6th July 2024 are as under:

A. Basic Salary:

₹ 3,87,000/- (Rupees Three Lakhs Eighty Seven Thousand only) per month with such increase as may be decided by Board of Directors (which includes any Committee thereof) from time to time subject to a maximum of ₹ 6,00,000/- (Rupees Six Lakhs only) per month.

B. Perquisites & Allowances:

In addition to salary, the following perquisites/allowances shall be allowed to the Managing Director.

Category – A:

- (i) HRA, Medical & Other Allowances etc. as per the company policy
- (ii) Personal Accident Insurance as per the company policy

Category – B:

The Company shall contribute towards Provident Fund / other retirement fund, if any provided that such contributions either singly or put together shall not exceed the tax-free limit prescribed under the Income-tax Act.

- (i) The Company shall pay Gratuity as per rules of the Company.
- (ii) Leave on full pay and allowances, as per rules of the Company,

but not more than one month's leave for every eleven months of service. However, the leave accumulated but not availed of will be allowed to be en-cashed at the end of the term as per rules of the Company. The above shall not be included in the computation of ceiling on remuneration or perquisites aforesaid.

Category – C:

The Managing Director shall be entitled to Performance Linked Variable Pay/Special Allowance/Role Award/Bonus/Retention Allowance etc. or in any other form as the Nomination and Remuneration Committee and the Board of Directors may determine from time to time, based on his achievement of Key Result Areas (KRAs) such as Sales growths, EBIDTA and cash flow generation etc. as well as the profitability of the Company, not exceeding ₹3,00,00,000/- (Rupees Three Crores only) per annum.

C. Entitlement to Shares:

Mr. Reginaldo Dsouza has been granted 1,10,000 stock options under The Anup Engineering Limited – Employee Stock Option Scheme 2019 (ANUP ESOS 2019), which are pending to be exercised by him and may lead to perquisites upon exercise. Further stock options may be granted by NRC not exceeding 50,000 stock options at Market Price (as defined under ANUP ESOS 2019) and on other terms and conditions as may be approved by NRC, if he is found eligible under active Employees Stock Option Plan of the Company.

D. Maximum Remuneration:

Notwithstanding anything to the contrary herein contained, wherein any financial year during the currency of the tenure of office of the Managing Director, if there is profit then the overall managerial remuneration payable to Mr. Reginaldo Dsouza shall be such amount as may be fixed by the Board of Directors from time to time on recommendation of the NRC, but not exceeding Rs. 6,00,00,000/- (Rupees Six Crores only) per annum at any point of time, excluding value of perquisite, if any, for entitlement to shares as per para C above, which may or may not exceed maximum percentage of limits of net profits of the Company as laid down in Section 197 read with Part II of Schedule V of the Companies Act, 2013

Overall and Minimum Remuneration Limit:

Notwithstanding anything to the contrary herein contained, in the event, if the Company has no profits or its profits are inadequate in any financial year, the Company will pay a minimum remuneration by way of salary, perquisites, benefits and allowances, performance incentive, etc. for a period not exceeding 3 (Three) years as per Part II of Section II (A) of Schedule V to the Companies Act, 2013 and rules made thereunder or any statutory modifications and/or re-enactment thereof as may be decided by the Board from time to time on recommendation of NRC.

The above mentioned remuneration may be altered, amended, varied, enhanced or modified from time to time by the Board of Directors of Company on recommendation of NRC as it may, in its discretion, deem fit, within the minimum and maximum amount as mentioned above as

Managerial Remuneration in accordance with the provisions of the Companies Act, 2013 including those of Schedule V or any amendments thereto made hereafter in this regard.

As required under Schedule V to the Companies Act, 2013, the relevant details for to be sent along with the notice are as under:

Sr. 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.								
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 31.03.2024)	<table><tr><th>Particulars</th><th>₹ in Crores</th></tr><tr><td>Total Income</td><td>559.44</td></tr><tr><td>EBIDTA</td><td>126.75</td></tr><tr><td>Net Profit</td><td>103.47</td></tr></table>	Particulars	₹ in Crores	Total Income	559.44	EBIDTA	126.75	Net Profit	103.47
Particulars	₹ in Crores									
Total Income	559.44									
EBIDTA	126.75									
Net Profit	103.47									
5	Foreign investments or collaborations, if any	Not Applicable.								

II Information about the appointee:

1 Background details

Mr. Reginaldo is a 1997 batch Mechanical Engineer and a PGPM from Great Lakes Institute, Chennai. In his career spanning 25 years, he has held multiple roles at Godrej and Boyce Manufacturing Company Limited. Reginaldo comes with strong experience around sales and marketing, operations and supply chain, information technology and business excellence for the process equipment division of Godrej and Boyce Manufacturing Company Limited. In his last role, he was leading the Sales and Marketing, Estimations and IT functions for the business. He has proven experience of P&L leading the new business initiatives, He has joined the Company as a Chief Executive Officer of the Company on 8th October 2022.

2 Past Remuneration

Particulars	FY 2023-24	*FY 2022-23
Salary	40,33,548	14,58,335
Perquisites/Allowances/retirals	64,92,326	41,32,722
NPS, PF and Gratuity	4,84,021	1,75,000
Total	1,10,09,895	57,66,057

* Appointed as CEO (KMP) of the company on 8th October 2022

3 Recognition or awards -**4 Job profile and his suitability**

He appointed as the Managing Director of the Company. He devotes whole time attention to the management of the Company and exercises his power under the supervision and guidance of the Board of the Company.

5 Remuneration proposed

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

6 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)

Mr. Reginaldo Dsouza is working as an independent professional, in an executive capacity, not related to promoters/directors of the Company and also that the Company is at a growing stage where it needs to retain/reward the professionals with a remuneration in accordance with prevailing market conditions and benchmark. Considering the size of the Company, the profile of Mr. Dsouza, the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid to him is commensurate with the remuneration packages being paid to similar appointees in other companies.

7 Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other director, if any

Besides the remuneration proposed and to the extent of ESOPs granted to him, Mr. Reginaldo Dsouza, does not have any pecuniary relationship with the Company and its managerial personnel or other directors.

III. OTHER INFORMATION:

Sr. 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

The other details of Mr. Reginaldo Dsouza in terms of Regulation 36(3) of the Listing Regulation and Secretarial Standard 2 are given in **Annexure** to this Notice.

None of the Directors or Key Managerial Personnel ('KMP') of the Company or their respective relatives, except Mr. Reginaldo Dsouza and his relatives, are concerned or interested, financially or otherwise, in the resolution set out in the Notice.

The Board recommends this Special Resolution for your approval.

Registered Office:
Behind 66 KVElec. Sub-Station,
Odhav Road,
Ahmedabad-382415
Date: 6th July 2024

By order of the Board
For The Anup Engineering Limited

Chintankumar Patel
Company Secretary
Membership No. A29326

Annexure to Item No. 3, 5, 6 and 7 of the Notice

Details of Directors seeking appointment and 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), 2015 and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India)

Name of the Director	Mr. Samveg bhai Lalbhai	Mr. Dhinal Shah	Mr. Gokul Jaykrishna	Mr. Reginaldo Dsouza
Director Identification Number (DIN)	00009278	00022042	00344816	08590850
Date of Birth (Age)	4th June 1961 (63 years)	31st December 1967 (56 years)	23rd March 1963 (61 years)	31st August 1975 (48 years)
Nationality	Indian	Indian	Indian	Indian
Date of first appointment on the Board	1st November 2018	6th July 2024	6th July 2024	6th July 2024
Qualifications	Refer brief profile in report on Corporate Governance	Refer item No 5 of Explanatory Statement	Refer item No 6 of Explanatory Statement	Refer item No 7 of Explanatory Statement
Experience (including expertise in specific functional area)/Brief Resume	Refer brief profile in report on Corporate Governance	Refer item No 5 of Explanatory Statement	Refer item No 6 of Explanatory Statement	Refer item No 7 of Explanatory Statement
Terms and Conditions of Appointment / Reappointment	Refer item no. 3 of the Notice of Annual General Meeting	Refer item no. 5 of the Notice of Annual General Meeting	Refer item no. 6 of the Notice of Annual General Meeting	Refer item no. 7 of the Notice of Annual General Meeting
Remuneration last drawn (including sitting fees, if any) for FY 2023-24	Commission ₹ 3,00,000/- Sitting Fee ₹ 1,50,000/-	Not applicable, as this is his first appointment on the Board	Not applicable, as this is his first appointment on the Board	Refer item No 7 of Explanatory Statement
Details of remuneration sought to be paid	Shall be entitled to sitting fees for attending meetings of the Board/ Committees and commission as approved by the Board of Directors within the overall limit sanctioned by the Shareholders and as prescribed under the Companies Act 2013	Shall be entitled to sitting fees for attending meetings of the Board/ Committees and commission as approved by the Board of Directors within the overall limit sanctioned by the Shareholders and as prescribed under the Companies Act 2013	Shall be entitled to sitting fees for attending meetings of the Board/ Committees and commission as approved by the Board of Directors within the overall limit sanctioned by the Shareholders and as prescribed under the Companies Act 2013	As per explanatory statement set out in item No. 7 of the Notice.
Directorships held in other companies including equity listed companies and excluding foreign companies as on the date of this Notice.	1. Atul Limited 2. Bengal Tea & Fabrics Limited 3. Arvind Farms Private Limited	1. Ratnamani Metals And Tubes Limited 2. Astral Limited 3. Gujarat Tea Processors and Packers Limited	1. Asahi Songwon Colors Limited 2. AksharChem (India) Limited 3. Skyjet Aviation Private Limited 4. Asahi Powertech Private Limited 5. Asahi Energy Private Limited 6. Asahi Tennants Color Private Limited	Mabel Engineers Private Limited

Name of the Director	Mr. Samvegghai Lalbhai	Mr. Dhinal Shah	Mr. Gokul Jaykrishna	Mr. Reginaldo Dsouza
			7. Atlas Life Sciences Private Limited 8. Atlas Life Sciences (India) Private Limited 9. Echke Limited	
Memberships / Chairmanships of committees of other companies (excluding foreign companies) as on date of this Notice	Bengal Tea & Fabrics Limited Nomination & Remuneration Committee - Member	Ratnamani Metals And Tubes Limited Audit Committee - Chairman Nomination & Remuneration Committee - Member Stakeholders' Relationship Committee - Member Risk Management Committee - Chairman Astral Limited Audit Committee - Member Nomination & Remuneration Committee - Member	None	None
Numbers of Shares held in the Company as a beneficial owner (as on Date of this notice)	1,766	Nil	3,30,002	Nil
Number of Meetings of the Board attended during the year	3 (Three)	Not applicable, as this is his first appointment on the Board	Not applicable, as this is his first appointment on the Board	Not applicable, as this is his first appointment on the Board
Relationship with other Directors, Manager and Key Managerial Personnel of the Company	None	None	None	None
Resignation from Listed Entities in past three years	None	None	None	None

Directors' Report

To,
The Members,

Your Directors are pleased to present the 7th **(Seventh)** Annual Report together with the Audited Financial Statements of the company for the financial year ended on 31st March 2024.

1 FINANCIAL PERFORMANCE

The Audited Financial Statements of the Company as on 31st March 2024 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	FY 2023-24	FY 2022-23
Revenue from operations	55,038.45	41,133.81
Other Income	906.37	124.21
Total Income	55,944.82	41,258.02
Profit before Finance Cost, Depreciation & Amortization and Tax Expenses	13,581.43	8,394.70
Finance Cost	217.44	140.83
Depreciation & Amortization	1,746.40	1,254.05
Profit Before Tax	11,617.59	6,999.82
(i) Current Tax	2,650.00	1,815.00
(ii) Deferred Tax Charge/(Credit)	71.24	41.82
(iii) Excess provision of tax for to earlier years written back	(1,451.15)	-
Profit After Tax	10,347.50	5,143.00
Other Comprehensive Income/(loss)	(107.34)	8.62
Total Comprehensive Income/(Loss) for the year Net of Tax	10,240.16	5,151.62

Pursuant to the Scheme of Amalgamation ("the Scheme") sanctioned by National Company Law Tribunal vide its order dated 23rd November 2023, Anup Heavy Engineering Limited (Wholly owned subsidiary company) has been merged with the Company with effect from 1st April 2022 and pursuant thereto the entire business assets and liabilities, income and expense have been included retrospectively in the financial results of the Company in accordance with Ind AS as the amalgamated company is an entity under common control. Accordingly, reported figures for the previous financial year 2022-23 are restated.

2 PERFORMANCE REVIEW AND THE STATE OF COMPANY'S AFFAIRS

The total income of the Company was ₹ 55,944.82 Lakhs during the year as against ₹ 41,258.02 Lakhs in the previous year. The Company has reported net profit of ₹ 10,347.50 Lakhs during the year under review as against profit of ₹ 5,143.00 Lakhs in the previous year.

All time high opening order book of ₹ 854.20 Crores as on 31st March 2024.

3 DIVIDEND

The Board of Directors at their meeting held on 4th May 2024, have recommended final dividend of ₹ 15/- per equity share and one-time special dividend of ₹ 5/- per equity share, totaling to a dividend of ₹ 20/- per equity share of face value of ₹ 10/- each, for the financial year ended 31st March 2024 subject to the approval of

shareholders at the ensuing Annual General Meeting (AGM). The final dividend on equity shares, if approved by the members, would involve a cash outflow of approximately ₹ 39.80 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 CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of the business of the Company done during the year.

8 SHARE CAPITAL**Authorised share capital**

During the financial year under the review, The Authorised Capital was increased from ₹ 65,25,00,000/- to ₹ 65,35,00,000/- by virtue of transfer of ₹ 10,00,000/- authorised capital from Transferor company i.e. Anup Heavy Engineering Limited pursuant to Scheme of Amalgamation approved by Hon'ble National Company Law Tribunal ("NCLT"), Bench at Ahmedabad vide Order dated 23rd November 2023. The Authorised share capital of the company as on 31st March 2024 stood at ₹ 65,35,00,000/- divided into 6,53,50,000 equity shares of ₹ 10/- each.

Issued and paid up shares Capital

Particulars	No. of Equity Shares	Face Value (₹)	Paid-up Share Capital (₹)
Paid up Capital of the Company as on 1st April 2023	98,96,150	10/-	9,89,61,500
Equity Shares allotted under ESOP during the year under review	54,333	10/-	5,43,330
Paid up Capital of the Company as on 31st March 2024	99,50,483	10/-	9,95,04,830

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

9 EMPLOYEE STOCK OPTION SCHEMES (ESOS)

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

The Company has issued 87,500 options under TAEI ESOS - 2018, 58,371 options under TAEI ESOS (DEMERGER) - 2018 and 87,500 options under Anup - ESOS 2019 up to 31st March 2024. All these options are convertible into equal number of Equity Shares of face value of ₹ 10/- each.

The disclosures with respect to TAEI ESOS - 2018, TAEI 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.

10 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.

11 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 2024.

12 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.

13 CORPORATE SOCIAL RESPONSIBILITY

The Anup Engineering Limited Policy on Corporate Social Responsibility (TAEI CSR) 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 has undertaken three projects. Under Rural Development theme two projects has been undertaken. First one is promoting efficient irrigation systems in agriculture aimed to improve the water efficiency in farming in Botad district and another one is Bio Char project which aimed to increase the carbon content in soil in Sabarkatha and Botad district. Third project is under education theme promoting education among government school students.

Under efficient Irrigation systems projects total 70 farmers have started efficient irrigation practices like drip irrigation, water conservation through check dams etc. This help them to reduce their cost and saves water.

Under Bio Char project, two bio char production demonstration centers has been established and 100 farmers were trained to use bio char in their fields.

In Hariyala and nearby 7 villages digital learning programme has been started with HPCLAP van. Total 853 students of government primary schools has been trained for basic digital skills.

The brief details of Corporate Social Responsibility Policy, initiatives undertaken and the amount spent during the financial year 2023-24 is enclosed as **Annexure-B** to the Board's Report.

14 HUMAN RESOURCES

At The Anup Engineering Limited, we firmly believe that our people are the cornerstone of our success. We prioritize talent acquisition, engagement, development, retention, and reward initiatives to drive organizational growth and prosperity.

An integral aspect of our HR strategy is our responsiveness to evolving trends shaping the future of work. By embracing agility and productivity enhancements, we continuously refine our HR systems and processes to elevate the employee experience.

Our concerted efforts are evident in our emphasis on effective recruitment practices and the cultivation of our employer brand. We actively promote internal mobility, align organizational structures with business imperatives, and institute robust rewards and recognition frameworks.

Central to our employee-centric approach is our commitment to facilitating growth opportunities. We prioritize internal mobility initiatives, enabling employees to explore diverse functional roles and ascend to higher positions within the company.

In the realm of learning and development, we are steadfast in our digitalization efforts. By offering a plethora of e-learning courses encompassing managerial and functional competencies, we equip our workforce with the requisite skills for success in an increasingly digital landscape.

At the heart of our HR philosophy lies a culture of open communication and support. Regular dialogues between managers and team members foster an environment where concerns can be voiced, improvements can be initiated, and individuals feel empowered to contribute their best.

Our performance management approach is multifaceted, combining accountability with continuous development opportunities. We champion a holistic view that nurtures talent, aligns with our compensation framework, and fuels career progression.

In our quest to groom future leaders, we provide a myriad of leadership development avenues. These initiatives aim to cultivate management skills, foster change management capabilities, and ensure alignment with our organizational strategy for sustained business success.

Through these concerted efforts, we endeavor to create a workplace where our employees thrive, excel, and contribute to the enduring success of The Anup Engineering Limited.

15 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's 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 from time to time.

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

16 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.

17 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/>.

18 SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES/WHOLLY OWNED SUBSIDIARIES

During the year under review, The Hon'ble National Company Law Tribunal ("NCLT"), Bench at Ahmedabad, vide its Order dated 23rd November 2023, has approved the Scheme of amalgamation and pursuant to the said scheme Anup Heavy Engineering Limited (wholly own subsidiary and Transferor Company) amalgamated with company. As on 31st March 2024, the Company do not have any subsidiary/wholly own subsidiary, associates and joint venture Company.

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/>.

19 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.

Directors retiring by rotation:

As per the provisions of Section 152(6) of the Companies Act, 2013 and the company's Articles of Association, Mr. Samveg bhai Lalbhai (holding DIN: 00009278) 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.

Re-appointment of Independent Directors for a second term:

The Nomination and Remuneration Committee ('NRC') inter-alia, taking into account the knowledge, experience and the substantial contribution made by Mr. Arpit Patel (DIN: 00059914), Mr. Ganpatraj Chowdhary (DIN: 00344816) and Ms. Reena Bhagwati (DIN: 00096280) as Independent directors during their tenure had recommended to the Board that the continued association of Mr. Arpit Patel, Mr. Ganpatraj Chowdhary and Ms. Reena Bhagwati as an Independent Directors would be beneficial to the Company. Based on NRC recommendation and consent letter received from them, the Board recommends their re-appointment as an Independent Director for a second term of 5 consecutive years commencing from 1st November 2023 to 31st October 2028 (both days inclusive). The Company had also received a declaration from the independent directors confirming that they fulfil the criteria of independence as prescribed under the provisions of the Companies Act, 2013 read with the schedules and rules issued thereunder as well as Regulation 16 of Listing Regulations. Further, they are independent to the management of the Company. The Board of Directors recommend their re-appointment as an Independent Director.

Key Managerial Personnel:

During the year under review Mr. Bhavesh Shah resigned as Chief Financial Officer of the company as on 10th April 2023 and Mr. Nilesh Hirapara Appointed as Chief Financial Officer of the company as on 10th April 2023 as per the provisions of Section 203 of the Companies Act, 2013. As per the provisions of Section 203 of the Companies Act, 2013, 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.

20 DETAILS OF THE DESIGNATED OFFICER:

Mr. Chintankumar Patel, Company Secretary & Compliance officer of the company is a Designated officer under Rule (9) (5) of the Companies (Management and Administration) Rules, 2014

21 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.

22 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/>.

23 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/>.

24 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.

25 BOARD AND COMMITTEE MEETINGS

A total 7 Meetings of the Board of Directors, 5 meetings of Audit Committee, 4 meeting of Stakeholder's Relationship Committee, 3 meeting of Nomination and Remuneration committee, 3 meetings of Risk Management Committee, 2 meetings of Corporate Social Responsibility Committee and 1 meeting of Independent director committee and 11 meeting of Management Committee were held during the financial year ended 31st March 2024. Further the details of the Board and the Committee meetings are provided in the Corporate Governance Report forming part of this Report.

26 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 2024, 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.

27 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/>.

28 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.

29 AUDITORS AND AUDITORS' REPORT

Statutory Auditors:

Pursuant to 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 for second term of five year from the conclusion of the 6th Annual General Meeting till the conclusion of the ensuing 11th Annual General Meeting.

The Statutory Auditor has issued Audit Reports with unmodified opinion on the Financial Statements of the Company for the year ended 31st March 2024. 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 2023-24, 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 2024-25.

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 2024-25 has been included in the Notice of the forthcoming 7th Annual General Meeting of the Company. The Directors recommend the same for approval by the Members.

Internal Auditor

The Board of Directors of the Company on its meeting held on 30th October 2023 has appointed M/s. Mahajan & Aibara Associates, Chartered Accountant (Firm Reg. No. 105743W), as the Internal Auditors of the Company for the period of 3 years from Financial Year 2023-24 to 2025-26 and the Internal Auditors have presented the Internal Audit Report before the Audit Committee at their meeting held on quarterly basis.

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 2023-24. The Secretarial Audit Report is annexed herewith as **Annexure-C** 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.

30 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.

31 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.

32 SECRETARIAL STANDARDS

Section 118 of the Act mandates compliance with the Secretarial Standards on board meetings and general meetings issued by The Institute of Company Secretaries of India. During the year under review, the Company has complied with all the applicable Secretarial Standards.

33 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-D** to the Board's Report.

34 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 2024 is available on the website of the Company at <https://www.anupengg.com/financial-reports/>.

35 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-E** to the Board's Report.

36 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 2023-24, No complaints of sexual harassment were received by the AICC.

37 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.

38 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.

39 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: 4th May 2024

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

Sr. No.	Description of ESOS	ESOS 2018	ESOS DEMERGER 2018	Anup - ESOS 2019
1. (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	22,500	33,333	57,500
(b)	Options issued during the year (pursuant to the Scheme)	0	0	30,000
(c)	Options forfeited /lapsed during the year	0	0	0
(d)	Options vested during the year	0	0	25,000
(e)	Options exercised during the year	16,000	33,333	5,000
(f)	Number of shares arising as a result of exercise of option	16,000	33,333	5,000
(g)	Money realised by exercise of options (₹)	24,22,880/-	1,28,42,871.57/-	23,22,000/-
(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	6,500	0	82,500
(j)	Options Exercisable at the end of the year	6,500	0	35,000
5A	Weighted average exercise prices of outstanding options whose:			
	Exercise price equals market price of stock (₹)	151.43	-	596.82
	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	-	597.41
	Exercise price exceeds market price of stock (₹)	-	-	-
	Exercise price is less than market price of stock (₹)	-	-	10.00

6	Grantee wise details of options granted to:			
	(i) Key managerial personnel;	No grants made during the year.	No grants made during the year.	Mr. Reginaldo Dsouza (Chief Executive officer) 30,000 options
	(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;			None
	(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.			None
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 (₹)			₹1,298.30
	(ii) Exercise price (₹)			15000 options at ₹1253.60 15000 options at ₹ 10.00
	(iii) Expected volatility			43.27%
	(iv) Expected dividends			₹ 15 per share
	(v) Risk-free interest rate			6.88%
	(vi) Any other inputs to the model			None
	(vii) Method used and the assumptions made to incorporate effects of expected early exercise			Binomial Option Pricing Model
	(viii) How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility			The daily volatility of the Company's stock price and comparable companies' stock prices on NSE over the expected life of the options has been considered.
	(ix) Whether any or how any other features of option grant were incorporated into the measurement of fair value, such as market condition			None

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 (TAECSR)** 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/2020/10/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: ₹ 66,71,13,174.44

b) Two percent of average net profit of the company as per sub-section (5) of section 135: ₹ 1,33,42,263.49

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)]: ₹ 1,33,42,263.49

6. a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing project): ₹ 1,33,43,000.00

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)]: ₹ 1,33,43,000.00

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
1,33,43,000.00	-	-	-	-	-

f) Excess Amount for set off, if any:

Sr. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per sub section (5) of section 135	1,33,42,263.49
(ii)	Total amount spent for the Financial Year	1,33,43,000.00
(iii)	Excess amount spent for the financial year [(ii)-(i)]	736.51
(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)]	736.51

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

Sr. 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: 4th May 2024

Punit S. Lalbhai
Chairman – CSR Committee

Reginaldo Dsouza
Chief Executive Officer

Annexure – C to the Directors' Report

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH 2024

[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: L29306GJ2017PLCO99085
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: L29306GJ2017PLCO99085) (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, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2024 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2024 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 and amendments from time to time;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2011;
- (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities)) Regulations, 2011;
- (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, 2011; 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) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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 subject to the following observation:

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 as per the applicable Act and rules, 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 :

- Company has allotted 10,000 Equity Shares of ₹10/- each under TAEI Employee Stock Option Scheme 2018 (TAEI ESOS 2018) on 18th April 2023 pursuant to exercise of stock options;
- Company has allotted 5,000 Equity Shares of ₹10/- each under The Anup Engineering Limited Employee Stock Option Scheme 2019 (ANUP ESOS 2019) on 18th August 2023 pursuant to exercise of stock options;
- Company has allotted 3,000 Equity Shares of ₹10/- each under The Anup Engineering Limited – Employee Stock Option Scheme – 2018 (TAEI ESOS -2018) on 19th February 2024 pursuant to exercise of stock options;
- Company has allotted 10,000 Equity Shares of ₹10/- each under The Anup Engineering Limited – Employee Stock Option Scheme (DEMERGER) – 2018 (TAEI ESOS (DEMERGER)- 2018) on 8th March 2024 pursuant to exercise of stock options;
- Company has allotted 3,000 Equity Shares of ₹10/- each under The Anup Engineering Limited – Employee Stock Option Scheme – 2018 (TAEI ESOS - 2018) on 15th March 2024 pursuant to exercise of stock options;
- Company has allotted 23,333 Equity Shares of ₹10/- each under The Anup Engineering Limited – Employee Stock Option Scheme (DEMERGER) – 2018 (TAEI ESOS (DEMERGER)- 2018) on 21st March 2024 pursuant to exercise of stock options;
- Amalgamation of Anup Heavy Engineering Limited, Wholly Owned Subsidiary with The Anup Engineering Limited pursuant to Order of The National Company Law Tribunal (NCLT) dated 23rd November 2023;
- Company has entered into definitive share purchase agreement on 15th March 2024 to acquire 100% equity shares of Mabel Engineering Private Limited;
- Board of Directors of the Company at their Meeting held on Wednesday, 20th March 2024 has approved Issue of Bonus Equity Shares in the proportion of 1:1 i.e. 1 (One) bonus equity share of ₹ 10/- (Rupees Ten Only) each for every 1 (One) existing equity share of ₹10/- (Rupees Ten Only) each fully paid up, held by the members of the Company.

CS Ankita Patel

Practicing Company Secretary

M. No.:F8536; COP: 16497

Place: Ahmedabad

Peer Review Certificate No. No.: 1594/2021

Date: 04th May 2024

UDIN: Foo8536Foo0309012

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: L29306GJ2017PLCO99085
Behind 66 KV,Elec. Sub-Station,
Odhav Road, Ahmedabad – 382415

Dear Sir,

Sub: Secretarial Audit Report for the Financial Year ended on 31st March 2024

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.

Place: Ahmedabad
Date: 04th May 2024

CS Ankita Patel

Practicing Company Secretary
M. No.:F8536; COP: 16497
Peer Review Certificate No. No.: 1594/2021
UDIN: Foo8536Fooo309012

Annexure – D 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:

i) the steps taken or impact on conservation of energy;

The Company continues to focus on continual improvement for optimum utilization of resources, minimise consumption of energy, water and natural resources, reduce CO₂ emission while maximizing production volumes in an eco-friendly manner. The Company is committed to sustainable business practices by contributing to environment protection & considers energy conservation as one of the strong pillars of preserving natural resources. Our consciousness towards the environment inspire us not to over utilize the resources and exploit them. The manufacturing units of the Company are continuing their efforts to reduce energy consumption.

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.

Power and Fuel consumption

Electricity	2023-24	2022-23
Bought units from DISCOM	34,40,317.00	31,87,900.00
Wind mill generation units	3,17,130.00	5,45,480.00
Solar generation units	1,56,675.00	-
Own Generated units	25.00	130.00
Total Electricity used units	39,14,147.00	37,33,510.00
Units	39,14,122.00	37,33,380.00
Total Amount (₹ in Lakhs)	418.14	295.92
Rate/Unit	10.68	7.93
Own Generation		
(Through Diesel Generator)		
Units	25.00	130.00
Total Amount (in ₹)	600.00	3,120.00
Rate/Unit	24.00	24.00
Fuel consumption		
Litre	2,07,450	2,17,781
Total Amount (₹ in Lakhs)	190.93	200.74
Rate/litre	92.04	92.18
Furnace Gas :		
Quantity (MMBTU)	4,578.64	3,437.86
Total Amount (₹ In Lakhs)	76.65	70.88
Rate/MMBTU	1,673.97	2,061.75

ii) the steps taken by the company for utilising alternate sources of energy;

The Company has installed a Windmill with 750 KW capacity and a solar plant with 990 KW capacity. The energy generated by the windmills and solar plant are set off against energy consumed in manufacturing units.

iii) the capital investment on energy conservation equipment's.

An amount of ₹365.69 Lakhs was invested on energy conservation equipment during financial year 2023-24.

B Technology absorption:

i) the effort made towards technology absorption;

There is no such technology absorption during the financial year.

ii) the benefit derived like product improvement, cost reduction, product development or import substitution;

Not Applicable

iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year);

Not Applicable

iv) the expenditure incurred on Research and Development.

In pursuits of R&D endeavors, the Company is continuously incurring R&D expenditure both on Capital and Revenue which has not been separately reflected but which is being shown as part of Regular heads of accounts in Fixed Assets and in Statement of Profit and Loss respectively.

C Foreign exchange earnings and Outgo:

(₹ in Lakhs)

Particulars	2023-24	2022-23
Total foreign exchange used	6,810.25	6,618.52
Total foreign exchange earned	18,143.35	3,406.45

Annexure – E 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 2023-24	Mr. Sanjay S. Lalbhai	1.22
		Mr. Punit S. Lalbhai	1.91
		Mr. Samvegbhai Lalbhai	0.92
		Mr. Arpit Patel	2.63
		Mr. Ganpatraj Chowdhary	1.41
		Ms. Reena Bhagwati	2.00
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 2023-24	Director	% change
		Mr. Sanjay S. Lalbhai	76
		Mr. Punit S. Lalbhai	77
		Mr. Samvegbhai Lalbhai	32
		Mr. Arpit Patel	50
		Mr. Ganpatraj Chowdhary	25
		Ms. Reena Bhagwati	51
		*Chief Executive Officer	
		Mr. Reginaldo Dsouza	47
		*Chief Financial Officer	
		Mr. Nilesh Hirapara	100
		Appointed as on 10th April 2023	
		Company Secretary	
		Mr. Chintankumar Patel	22
iii	The percentage increase in the median remuneration of employees the financial year 2023-24		15.16
iv	The number of permanent employees on the rolls of Company	243 Employees as on 31st March 2024	
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 *60.96% 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.	

Directors remuneration includes commission payable to them for the financial year ended 31st March 2024. Sitting fees paid to Directors are as per statutory provisions.

*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 and Paper & Pulp with its extensive product range of Heat Exchangers, Reactors, Pressure Vessels, Columns & Towers, Industrial Centrifuges & Formed Components. We have witnessed a strong Capex cycle in the Capital goods, both domestic and international, and continues to see good traction 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. Many projects are under execution globally and many more being announced which presents multiple opportunities for manufacturers like us. Focus on Green ammonia, which would be a route for green fertilizer and green hydrogen also presents sizable opportunities in the future. Petrochemicals, Fertilizer, Gas, Hydrogen (Blue for now) and Specialty Chemicals are showing good macro level indicators on growth.

(b) Opportunities and Threats:

Opportunities: The drive towards cleaner energy mix for decarbonization is presenting opportunities added to the demand for conventional energy mix which fuels the higher demand and also GDP growth aspirations of the developing countries. We are seeing good traction especially on Petrochemicals, Gas, Hydrogen, Fertilizer and specialty chemicals segment. Capex cycle across the Capital goods segment presents ample opportunities in this space. This is manifesting into good number of orders being bagged by Indian manufacturers like us in this space, providing a good opportunity to improve share of exports. The growth in the specialty chemical segment also means higher possibilities in the exotic/ finer grade material segment which means higher realization over the same capacity. The commissioning of our PHASE-1 expansion of our new state of the art facility at Kheda - Gujarat, provides us that added opportunity to improve our share. The acquisition of Mabel Engineers Private Limited a manufacturing plant in Tamil Nadu, which adds products like Silos, Storage Tanks and Vessels provide a wider bandwidth to address our customer requirements. This also helps us spread geographically down south of India to address our customer requirements in SEFE market.

Threats: The current concerns and the developments on geopolitics globally, is something that every manufacturer with substantial export/ import contribution will need to monitor closely. Moreover, being into custom built equipment business where every product is designed and made to order, labor skills play an important role especially skilled operators. 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 70% 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 in future. But Heat exchanger will still continue to be the dominant product. We expect the Heat exchanger to be between 60-65% of our revenue for this year.

Our impeccable record on ONTIME DELIVERY performance in line with the benchmark, sets us apart as a Reliable & Trusted supplier, globally. Other noteworthy developments last year have been, the Acquisition of Mabel Engineers Private Limited a manufacturing company in Tamil Nadu helping us spread geographically south of India and also adds products like Silos, Tanks and Vessels to our existing product lines. The newly established design office at Vadodara helps us to be in the vicinity of our esteemed Customers. The commissioning of our state-of-the-art manufacturing facility at Kheda- Gujarat, provides us with that added capacity for growth and also the capability to manufacture & deliver larger sized equipment being on the National highway providing easy access to the ports.

(d) Outlook:

We continue to see traction on capex into capital goods especially focused on Petrochemicals, Gas, Fertilizer, Hydrogen and Specialty chemicals. The focus on self-sufficiency, post the pandemic and the current geo-political uncertainties, have led to countries announcing new greenfield & brownfield projects to expand capacities. The goal in India to double the refining capacity by 2030 and also be a leader in petrochemicals, will manifest into good projects hitting the ground. The climate change is a serious concern globally, and the shift to low carbon emitting energy mix will be the way forward. Hydrogen forms a very important part of this new energy mix, and it offers a big opportunity for manufacturers like us, both for Blue hydrogen to start with and Green hydrogen in the near future. Announcement of new coal/ lignite gasification plants also provides new opportunities in this segment. Moreover, 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 addition to the focus on cleaner energy mix.

Good macro indicators on the sectors we work with, provides a reasonable confidence to continue our growth momentum, providing opportunities, both in domestic and 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's 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 from time to time.

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 2023-24 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 2023-24:

(₹ in Lakhs)

Particulars	FY 2023-24	FY 2022-23
Revenue from Operation	55,038.45	41,133.81
EBITDA	12,675.06	8,270.49
EBITDA %	23.03	20.11
PAT	10,347.50	5,143.00

Overall revenues for the year grew 33.80% and stood at ₹55,038.45 Lakhs. Sales and Other income for the year ended 31st March 2024 were ₹55,944.82 Lakhs as compared to ₹41,258.02 Lakhs for the year ended 31st March 2023. The net profit stood at ₹10,347.50 Lakhs (previous year ₹5,143.00 Lakhs).

Strong order pipeline of ₹854.20 Crores as on 31st March 2024 to provide good execution visibility.

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

At The Anup Engineering Limited, we firmly believe that our people are the cornerstone of our success. We prioritize talent acquisition, engagement, development, retention, and reward initiatives to drive organizational growth and prosperity.

An integral aspect of our HR strategy is our responsiveness to evolving trends shaping the future of work. By embracing agility and productivity enhancements, we continuously refine our HR systems and processes to elevate the employee experience.

Our concerted efforts are evident in our emphasis on effective recruitment practices and the cultivation of our employer brand. We actively promote internal mobility, align organizational structures with business imperatives, and institute robust rewards and recognition frameworks.

Central to our employee-centric approach is our commitment to facilitating growth opportunities. We prioritize internal mobility initiatives, enabling employees to explore diverse functional roles and ascend to higher positions within the company.

In the realm of learning and development, we are steadfast in our digitalization efforts. By offering a plethora of e-learning courses encompassing managerial and functional competencies, we equip our workforce with the requisite skills for success in an increasingly digital landscape.

At the heart of our HR philosophy lies a culture of open communication and support. Regular dialogues between managers and team members foster an environment where concerns can be voiced, improvements can be initiated, and individuals feel empowered to contribute their best.

Our performance management approach is multifaceted, combining accountability with continuous development opportunities. We champion a holistic view that nurtures talent, aligns with our compensation framework, and fuels career progression.

In our quest to groom future leaders, we provide a myriad of leadership development avenues. These initiatives aim to cultivate management skills, foster change management capabilities, and ensure alignment with our organizational strategy for sustained business success.

Through these concerted efforts, we endeavor to create a workplace where our employees thrive, excel, and contribute to the enduring success of the Company.

As on 31st March 2024, there were 243 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	2023-24	2022-23
Debtors Turnover Ratio (times)	Revenue from Operations	Average Debtors	3.99	3.01
Inventory Turnover Ratio (times)	Revenue from Operations	Average Inventory	3.77	3.79
Interest Coverage Ratio (times)	EBIT	Finance Costs	54.43	50.70
Current Ratio (times)	Current Assets	Current Liabilities	1.86	2.05
Debt Equity Ratio (times)	Total Debt	Equity	0.04	0.08
Operating Profit Margin (%)	EBIT	Revenue from Operations	21.50	17.36
Net Profit Margin (%)	Net Profit after Tax	Revenue from Operations	18.80	12.50
Return on Net Worth (%)	Net Profit after Tax	Net worth	19.58	11.75

(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 8920
8.	Website	www.anupengg.com
9.	Financial year for which reporting is being done	1st April 2023 to 31st March 2024
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	₹ 9,95,04,830
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 8920 Mr. Chintankumar Patel - Company Secretary E-mail: chintankumar.patel@anupengg.com Tel No. +91-79-4025 8920
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)	Standalone basis
14.	Name of assurance provider	Not Applicable
15.	Type of assurance obtained	Not Applicable

II. Products/services

16. Details of business activities (accounting for 90% of the turnover)

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the Entity
1	Manufacturing	Fabrication of Metal and metal products	98.01

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

Sr. No.	Product/Service	NIC Code	% of Total Turnover Contributed
1	Heat Exchangers, Pressure Vessels, Towers, Reactors, Column and Centrifuges	28230	98.01

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated

Location	Number of Plants	Number of Offices	Total
National	2	3	5
International	0	0	0

19. Markets served by the entity

a. Number of locations

Location	Number
National (No. of States)	29
International (No. of Countries)	34

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 40.84%.

c. A brief on types of customers

The Company supplies wide 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

20. Details as at the end of Financial Year

a. Employees and workers (including differently abled)

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
EMPLOYEES						
1.	Permanent (D)	243	230	94.65	13	5.34
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total Employees (D + E)	243	230	94.65	13	5.34
WORKERS						
4.	Permanent (F)	0	0	0	0	0
5.	Other than Permanent (G)	500	500	100	0	0
6.	Total Workers (F + G)	500	500	100	0	0

b. Differently abled employees and workers

Sr. 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)	4	4	100	0	0
6.	Total Differently Abled Workers (F + G)	4	4	100	0	0

21. 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

22. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

Particulars	FY 2023-24			FY 2022-23			FY 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	17.54	11.11	28.65	22.22	0	22.22	23.78	33.33	57.11
Permanent Workers	0	0	0	0	0	0	0	0	0

V. Holding, Subsidiary and Associate Companies (including joint ventures)**23. Names of holding / subsidiary / associate companies / joint ventures**

Sr. 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)
Company does not have any holding / subsidiary / associate companies / joint ventures.				

During the year The Hon'ble National Company Law Tribunal ("NCLT"), Bench at Ahmedabad, vide its Order dated 23rd November 2023, has approved the Scheme of amalgamation and pursuant to the said scheme Anup Heavy Engineering Limited (wholly owned subsidiary and Transferor Company) amalgamated with The Anup Engineering Limited (holding and Transferee Company).

VI. CSR Details

- 24.** (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes
- (ii) Turnover (in ₹): 55,038.45 Lakhs
- (iii) Net worth (in ₹): 52,844.64 Lakhs

VII. Transparency and Disclosures Compliances

25. 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 2023-24			FY 2022-23		
		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 & 2	0	0	-	0	0	-
Shareholders	Yes. Refer Point 2	4	0	-	4	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)	-	-	-	-	-	-	-

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

26. 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.

Sr. 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 45001. 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

Sr. 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	Waste 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

Sr. 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	<p>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.</p> <p>To develop the skills of our human resource, we provide job specific and personal development trainings.</p> <p>By investing in continuous training and skill development, we can reap a number of benefits, including improved employee performance, increased productivity, and reduced costs.</p>	-	Positive
8	Diversity and Inclusion	Opportunity	<p>At part of commitment to diversity and inclusion lies its 'Equal Opportunity Policy,' which serves as a cornerstone for promoting non-discrimination across all facets of employment. Through this policy, ensures fairness and equality in recruitment, promotion, Transfer, training, wages, and working conditions, fostering an environment where every employee can thrive.</p>	-	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.

Sr. 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
	c. Web Link of the Policies, if available.	The policies/ procedures are approved by the Chief Executive office, functional heads and few of them have been adopted by the Board/ Board Committees. 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
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 and NABL ISO-17025- 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 available								

Sr. No.	Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
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								

Sr. 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 (Yes/No)	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	Percentage 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	30	Various trainings pertaining to health, safety, behavioral, skill upgradation, management, operations, etc.	85
Workers	14	Ethics, health and safety, quality system, HR policies and practices, environment, fire drills and safety, prevention of sexual harassment, importance of safety (PPE) tools and safety kits, readiness for accidents and preventive reporting of dangerous occurrences.	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)
Monetary					
Penalty/Fine	-	-	o	-	-
Settlement	-	-	o	-	-
Compounding Fee	-	-	o	-	-
Non-Monetary					
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	-	-	o	-	-
Punishment	-	-	o	-	-

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 2023-24	FY 2022-23
Directors	o	o
KMPs	o	o
Employees	o	o
Workers	o	o

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

Category	FY 2023-24		FY 2022-23	
	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

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

Category	FY 2023-24	FY 2022-23
Number of days of accounts payables	59	63

9. Open-ness of business:

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2023-24	FY 2022-23
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	12.04	10.79
	b. Number of trading houses where purchases are made from	4 ⁰	3 ¹
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	80.21	81.47
Concentration of Sales	a. Sales to dealers/distributors as % of total sales	0	0
	b. Number of dealers / distributors to whom sales are made	0	0
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	0	0
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	1.96%	0.40%
	b. Sales (Sales to related parties / Total Sales)	0.01%	0.01%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	0	0
	d. Investments (Investments in related parties / Total Investments made)	0	0

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Currently, we do not have well-defined principle-wise training programmes for our value chain partners.

Total number of awareness programmes held	Topics/Principle covered under the Training	Percentage of value chain partners covered) by value of business done with such partners) under the awareness programmes
-	-	-

2. Does the entity have processes in place to avoid / manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same:

Yes, we have a Code of Conduct for Directors and Senior Management Personnel. Each Board Member or Senior Management Personnel should endeavour to avoid having his or her private interests interfere with (i) the interests of the Company or (ii) his or her ability to perform his or her duties and responsibilities objectively and effectively. Board Members and Senior Management Personnel should avoid receiving or permitting members of their immediate family to receive, improper personal benefits from the Company including loans from or guarantees of obligations by the Company. A Board Member should make a full disclosure to the entire Board of any transaction or relationship that such a Board Member reasonably expects could give rise to an actual conflict of interest with the Company and seek the Board's authorisation to pursue such transactions or relationships.

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	FY 2023-24	FY 2022-23	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	230	230	100	230	100	0	0	230	100	0	0
Female	13	13	100	13	100	13	100	0	0	0	0
Total	243	243	100	243	100	13	100	230	100	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	500	500	100	500	100	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	500	500	100	500	100	0	0	0	0	0	0

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

	FY 2023-24	FY 2022-23
Cost incurred on wellbeing measures as a % of total revenue of the Company	0.30	0.25

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

Benefits	FY 2023-24			FY 2022-23		
	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.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100	100	0	0
Female	0	0	0	0
Total	100	100	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 in place Whistle-blower, POSH (Prevention of Sexual Harassment Act) and Code of Conduct for all categories of employees and workers.
Other than permanent workers	
Permanent employees	Dedicated channels for raising such grievances have been put in place and communicated to all the concerned stakeholders.
Other than permanent employees	

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

Category	FY 2023-24			FY 2022-23		
	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	243	0	0	205	0	0
Male	230	0	0	200	0	0
Female	13	0	0	5	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 2023-24					FY 2022-23				
	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 / D)	Number (F)	% (F / D)
Employees										
Male	230	230	100	230	100	200	200	100	200	100
Female	13	13	100	13	100	5	5	100	5	100
Total	243	243	100	243	100	205	205	100	205	100
Workers										
Male	500	500	100	500	100	664	664	100	664	100
Female	0	0	0	0	0	0	0	0	0	0
Total	500	500	100	500	100	664	664	100	664	100

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

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	230	230	100	200	200	100
Female	13	13	100	5	5	100
Total	243	243	100	205	205	100
Workers						
Male	500	500	100	664	664	100
Female	0	0	0	0	0	0
Total	500	500	100	664	664	100

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 2023-24	FY 2022-23
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	5	6
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 2023-24			FY 2022-23		
	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. We provide wide range of benefits like term life insurance and death benefit voluntary contribution to all individuals.

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 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
Employees	o	o	o	o
Workers	o	o	o	o

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 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, town hall meetings, email, SMS, Notice Board, Website)	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)	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

Essential Indicators

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 2023-24			FY 2022-23		
	Total (A)	No. employees workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	243	243	100	205	0	0
Other than permanent	0	0	0	0	0	0
Total Employees	243	243	100	205	0	0
Workers						
Permanent	0	0	0	0	0	0
Other than permanent	500	0	0	664	0	0
Total Workers	500	0	0	664	0	0

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

Category	FY 2023-24					FY 2022-23				
	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 / D)	Number (F)	% (F / D)
Employees										
Permanent										
Male	230	1	0	229	100	200	24	11.71	176	88.29
Female	13	5	38	8	62	5	0	0	5	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	500	500	100	0	0	664	664	100	0	0
Female	0	0	0	0	0	0	0	0	0	0

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

Category	Male		Female	
	Number	Median remuneration / salary / wages of respective category	Number	Median remuneration / salary / wages of respective category
Board of Directors (BoD)	6	8,15,000.00	1	9,80,000.00
Key Managerial Personnel (KMP)	3	51,65,296.00	0	0
Employees other than BoD and KMP	230	5,15,024.00	13	4,65,584.00
Workers	500	2,34,027.00	0	0

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2023-24	FY 2022-23
Gross wages paid to females as % of total wages	1.89	1.23

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 2023-24			FY 2022-23		
	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. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 in the following format:

	FY 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	o	o
Complaints on POSH as a % of female employees / workers	o	o
Complaints on POSH upheld	o	o

8. 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)

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

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

Yes, as per labour laws.

10. Assessments for the FY 2023-24.

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	

11. 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	o
Discrimination at workplace	o
Child Labour	o
Forced Labour / Involuntary Labour	o
Wages	o
Others - please specify	o

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 2023-24	FY 2022-23
From renewable sources		
Total electricity consumption (A)	1.71 TJ	1.96 TJ
Total fuel consumption (B)	o TJ	o TJ
Energy consumption through other sources (C)	o TJ	o TJ
Total energy consumption (A+B+C)	1.71 TJ	1.96 TJ
From non-renewable sources		
Total electricity consumption (D)	12.4 TJ	11.5 TJ
Total fuel consumption (E)	13.7 TJ	13.0 TJ
Energy consumption through other sources (F)	o TJ	o TJ
Total energy consumed from non-renewable sources (D+E+F)	26.1 TJ	24.4 TJ
Total energy consumed (A+B+C+D+E+F)	27.8 TJ	26.4 TJ
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	5.05 E-09 TJ/Rupees	6.42 E-09 TJ/Rupees
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	2.21 E-10 TJ/Rupees Adjusted for PPP	2.81 E-10 TJ/Rupees Adjusted for PPP
Energy intensity in terms of physical output	0.00347745 TJ/MT	0.00361797 TJ/MT
Energy intensity (optional) – the relevant metric may be selected by the entity		

*Purchasing power parity (PPP) conversion factor for GDP allows for comparisons of GDP volume and expenditure components by adjusting for price level differences between countries. According to OECD data, India's PPP conversion factor for GDP in 2022 is 22.88 LCU per international dollar available at <https://data.oecd.org/conversion/purchasing-power-parities-ppp.htm>

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 2023-24	FY 2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	12,139.90	9,267.35
(iii) Third party water	1,250.00	3,072.45
(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)	13,389.90	12,339.80
Total volume of water consumption (in kilolitres)	13,389.90	12,339.80
Water intensity per thousand rupee of turnover (Water consumed / turnover)	2.43283E-06 kiloliter / rupees	2.99992E-06 kiloliter / rupees
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	1.06321E-07 kiloliter / rupees adjusted for PPP	1.31104E-07 kiloliter / rupees adjusted for PPP
Water intensity in terms of physical output	1.67 kiloliter / MT	1.69 kiloliter / MT
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. Provide the following details related to water discharged:

Parameter	FY 2023-24	FY 2022-23
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	o	o
- With treatment - please specify level of treatment	o	o
(ii) To Groundwater		
- No treatment	o	o
- With treatment - please specify level of treatment	o	o
(iii) To Seawater		
- No treatment	o	o
- With treatment - please specify level of treatment	o	o
(iv) Sent to third-parties (Discharge in municipality sewage line)		
- No treatment	o	o
- With treatment - Primary, secondary and tertiary treatments performed before sending it to the municipality sewage line.	o	o
(v) Others		
- No treatment	o	o
- With treatment - please specify level of treatment	o	o
Total water discharged (in kilolitres)	o	o

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.

There is no discharge because we have installed Zero Liquid Discharge plant. No independent assessment / evaluation / assurance has been carried out by an external agency.

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

Yes.

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

Parameter	Please specify unit	FY 2023-24	FY 2022-23
NOx	Parts Per Million (PPM)	40.1	38.2
SOx	Parts Per Million (PPM)	44.3	o
Particulate matter (PM)	mg/Nm ³	98	77
Persistent organic pollutants (POP)		o	o
Volatile organic compounds (VOC)		o	o
Hazardous air pollutants (HAP)		o	o
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.

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

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	1459	1532
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	4912	4542
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	MT CO ₂ equivalent/rupee of turnover	1.2E-06	1.5E-06
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted Year) for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	MT CO ₂ equivalent/rupee of turnover adjusted for PPP	5.06E-08	6.45 E-08
Total Scope 1 and Scope 2 emission intensity in terms of physical output	MT CO ₂ equivalent / MT	0.80	0.83
Total Scope 1 and Scope 2 emission intensity (optional) - the relevant metric may be selected by the entity	-	0	0

*Purchasing power parity (PPP) conversion factor for GDP allows for comparisons of GDP volume and expenditure components by adjusting for price level differences between countries. According to OECD data, India's PPP conversion factor for GDP in 2022 is 22.88 LCU per international dollar available at <https://data.oecd.org/conversion/purchasing-power-parities-ppp.htm>

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.

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

No.

9. Provide details related to waste management by the entity, in the following format

Parameter	FY 2023-24	FY 2022-23
Total waste generated (in metric tonnes)		
Plastic waste (A)	5.87	1.12
E-waste (B)	0	0.83
Bio-medical waste (C)	0	0
Construction and demolition waste (D)	0	0
Battery waste (E)	0	0
Radioactive waste (F)	0.28	0.42
Other Hazardous waste - please specify, if any (G)		
ETP Sludge	0.00	0.30
Discarded containers	3.23	0.70
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)		
Metal Scrap	707.87	1450.57
Total (A + B + C + D + E + F + G + H)	717.75	1454.44

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

Parameter	FY 2023-24	FY 2022-23
Category of waste		
(i) Recycled	717.47	1453.72
(ii) Re-used	0.28	0.42
(iii) Other recovery operations	0	0
Total	717.75	1454.14

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

Parameter	FY 2023-24	FY 2022-23
Category of waste		
(i) Incineration	0	0
(ii) Landfilling	0	0.30
(iii) Other disposal operations	0	0
Total	0	0.30

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.

- 10. 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.

- 11. 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.

- 12. 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.

- 13. 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 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: Sabarmati Basin
- (ii) Nature of operations: Fabrication of metal product
- (iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	12139.90	9267.35
(iii) Third party water	1250.00	3072.45
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres)	13389.90	12339.80
Total volume of water consumption (in kilolitres)	13389.90	12339.80
Water intensity per thousand rupee of turnover (Water consumed / turnover)	2.43283E-06 kiloliter / rupees	2.99992E-06 kiloliter / rupees
Water intensity (optional) – the relevant metric may be selected by the entity		
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

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

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, 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

3 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.

4 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.

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

No.

6 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

7 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 2023-24	FY 2022-23
Directly sourced from MSMEs / small producers	19	14
Sourced directly from within the district and neighbouring districts	46	52

- 5 **Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost**

Location	FY 2023-24	FY 2022-23
Rural	7.26	NA
Semi-urban	0	NA
Urban	92.74	NA
Metropolitan	0	NA

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 2023-24 (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:

Particulars	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 2023-24		Remarks	FY 2022-23		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	Nil	Nil	NA	Nil	Nil	NA
Advertising	Nil	Nil	NA	Nil	Nil	NA
Cyber-security	Nil	Nil	NA	Nil	Nil	NA
Delivery of essential services	Nil	Nil	NA	Nil	Nil	NA
Restrictive Trade Practices	Nil	Nil	NA	Nil	Nil	NA
Unfair Trade Practices	Nil	Nil	NA	Nil	Nil	NA
Other	Nil	Nil	NA	Nil	Nil	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.

- 7 Provide the following information relating to data breaches**

- Number of instances of data breaches along with impact – None
- Percentage of data breaches involving personally identifiable information of customers – NA
- Impact, if any, of the data breaches: NA

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.'

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 2024, 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 2024 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 2024:

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	3	5	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	Directorship in other listed entities	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 & Executive Director
		Arvind Fashions Limited	Non-Executive Director
		Deepak Nitrite Limited	Independent Director
3	Mr. Samvegubhai Lalbhai	Atul Limited	Managing Director
		Bengal Tea & Fabrics Limited	Non-Executive Director
4	Mr. Arpit Patel	Arvind Limited	Independent Director
		Johnson Controls - Hitachi Air Conditioning India 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 Lalbhai is the Vice Chairman and Non- Executive Director of the company. Mr. Punit Lalbhai 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 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 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. He 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. Samvegghai Lalbhai – Non-Executive Director (DIN - 00009278)

Mr. Samvegghai 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 Gadhi 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 Uttarakhand, India and later hived off the Starch Business of Riddhi Siddhi Gluco Biols Limited 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 Karnavati
- 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 Dychem Outstanding Entrepreneur Award 2011" by the Ahmedabad Management Association.

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

At the helm of the Bhagwati Group, Ms. Reena Bhagwati, plays a strategic, fiscal, and operational role, driving remarkable and consistent progress in the engineering industry through the Bhagwati Group entities, encompassing Bhagwati Spherocast Private Limited, Bhagwati Autocast Limited and Bhagwati Filters Private Limited. Beyond her corporate endeavors, she actively contributes to societal welfare through her own NGO and extensive involvement in other philanthropic initiatives. Ms. Bhagwati holds an MBA from Carnegie Mellon University, USA, underscoring her academic prowess and global perspective.

Throughout her career, Ms. Bhagwati has held notable professional positions, including serving as the President of the Institute of Indian Foundrymen (IIF) in 2013-14 and as the Chairperson of the Confederation of Indian Industries (CII) Gujarat State Council in 2016-17. She also represented Gujarat State in the CII Western Regional Council from 2022-23 and 2023-24 and continues to be a respected member of the Governing Body of the Ahmedabad Management Association.

In addition to her leadership roles within the Bhagwati Group, Ms. Bhagwati holds directorship positions in other listed companies such as M/s. Symphony Limited and M/s. Eimco Elecon (India) Limited, further showcasing her diverse expertise and influence in the corporate sphere.

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 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. Samvegbbhai 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 well 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.

The Management provides the Board with additional information beyond what is required by regulation, which enables informed decision-making and contributes to the Company's growth. The Board periodically reviews updates on projects, potential acquisitions, corporate restructuring plans, strategic plans, performance, risk management, and other key areas impacting the business, and also on organization talent and culture and succession planning for critical roles including senior management. Information is provided continuously for review and approval, including strategic and operating plans, financial statements, appointments in senior management and directors, audits, legal and compliance matters and regulatory updates. Follow-up and reporting occur after meetings. A formal system for follow-up, review, and reporting on actions taken by management on board decisions is in place.

The Board Members are provided with continuous information about the Company's operations for their review, input, and approval. This includes presenting our annual strategic plan, Budget and mid-term plan to the Board. Various matters such as appointment of Directors and Key Managerial Personnel, corporate actions and updates, review of internal and statutory audits, details of investor grievances, specific cases of acquisitions and business integrations, important managerial decisions, material positive/negative developments, risk management initiatives including cyber security along with mitigation actions and legal/statutory matters are presented to the respective Committees of the Board. These matters are later presented to the Board of Directors for approval/noting, as may be required.

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.

Internal Auditors and 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:

The Board Meetings are held at least once in every quarter inter-alia, to review the quarterly results of the Company. The gap between the two Board Meetings does not exceed 120 days as prescribed in the Act and the SEBI Listing Regulations. During the financial year 2023-24, 7 (Seven) Board Meetings were held on 10th April 2023, 17th May 2023, 27th June 2023, 28th July 2023, 30th October 2023, 12th February 2024 and 20th March 2024. 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 6th AGM held on 5th August 2023
		Held	Present	
1	Mr. Sanjay S. Lalbhai	7	6	Yes
2	Mr. Punit S. Lalbhai	7	7	Yes
3	Mr. Samvegbhai Lalbhai	7	3	Yes
4	Mr. Arpit Patel	7	7	Yes
5	Mr. Ganpatraj Chowdhary	7	3	Yes
6	Ms. Reena Bhagwati	7	7	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 12th February 2024 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	1370	Mr. Arpit Patel	-
Mr. Punit S. Lalbhai	137	Mr. Ganpatraj Chowdhary	-
Mr. Samvegbbhai Lalbhai	1766	Ms. Reena Bhagwati	36000

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/2024/04/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 SEBI 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 Brief description of terms of reference:

- (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) Approval or any subsequent modification of transactions of the listed entity with related parties;
- (9) Scrutiny of inter-corporate loans and investments;
- (10) Valuation of undertakings or assets of the company, wherever it is necessary;
- (11) Evaluation of internal financial controls and risk management systems;
- (12) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (13) 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;
- (14) Discussion with internal auditors of any significant findings and follow up there on;

- (15) 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;
- (16) 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;
- (17) 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;
- (18) To review the functioning of the whistle blower mechanism;
- (19) 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;
- (20) 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;
- (21) To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;
- (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 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 financial year 2023-24, 5 (Five) Audit Committee Meetings were held on 10th April 2023, 17th May 2023, 28th July 2023, 30th October 2023 and 12th February 2024. 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	2
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 Brief description of terms of reference :

- (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 SEBI Listing Regulations and Act 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 financial year 2023-24, 3 (Three) Nomination and Remuneration Committee meeting was held on 10th April 2023, 17th May 2023 and 27th June 2023. 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	3	3
2	Mr. Punit S. Lalbhai	Non-Executive Director	Member	3	3
3	Mr. Ganpatraj Chowdhary	Independent Director	Member	3	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 the 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 only Non-Executive directors and the remuneration of Directors is determined by the Board and is also approved by the Shareholders. The remuneration paid to the Directors by way of Sitting Fees of ₹ 50,000/- for every meeting of Board of Directors and ₹ 20,000/- for every committee attended by them. In addition to the afore-mentioned remuneration being paid by way of sitting fees, commission was also paid to the Directors.

The details of sitting fees and commission paid to Directors during the financial year 2023-24 are as under:

Sr. No.	Name of Directors	Commission ₹ in Lakh	Sitting Fees ₹ in Lakh
1	Mr. Sanjay S. Lalbhai	3.00	3.00
2	Mr. Punit S. Lalbhai	4.00	5.40
3	Mr. Samvegbbhai Lalbhai	3.00	1.50
4	Mr. Arpit Patel	7.00	5.90
5	Mr. Ganpatraj Chowdhary	5.00	1.90
6	Ms. Reena Bhagwati	5.00	4.80

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 ("TAEI ESOS - 2018"), The Anup Engineering Limited - Employee Stock Option Scheme (Demerger) - 2018 ("TAEI 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/2024/01/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 financial year 2023-24, 4 (Four) meeting were held on 17th May 2023, 28th July 2023, 30th October 2023 and 12th February 2024. 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. Punit S. Lalbhai	Non-Executive Director	Chairman	4	4
2	Mr. Arpit Patel	Independent Director	Member	4	4
3	Mr. Ganpatraj Chowdhary	Independent Director	Member	4	1

The equity shares of the Company are compulsorily traded in electronic form on the stock exchanges and hence the handling of physical transfer of shares is minimal. The Board has delegated the said powers for approving transfer and transmission of shares and issue of duplicate shares to the company secretary through RTA of the company. The status of transfer, duplicate etc., is periodically reported to the Committee.

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 8920
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 2023 to 31st March 2024:

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	04	04	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 2023 and 28th July 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	2	2
2	Mr. Arpit Patel	Independent Director	Member	2	2
3	Mr. Ganpatraj Chowdhary	Independent Director	Member	2	1

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 2024, 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 financial year 2023-24, the meeting of Risk Management Committee was held on three times on 17th May 2023, 30th October 2023 and 12th February 2024.

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. Reginaldo Dsouza	Chief Executive Officer	Member	3	3

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. The Management Committees appointed by the Board of Director make decision within the authority delegated. All decisions/ recommendation of the Committees are placed before the Board of Director for information and/or it's its approval.

8.2 Composition of Management Committee, number of Meetings held and participation at the Meetings during the year:

During the year, 11 (Eleven) 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	11	11
2	Mr. Punit S. Lalbhai	Non-Executive Director	Member	11	11

9 SENIOR MANAGEMENT

The Company has identified the senior management in accordance with the provisions of Listing Regulations. The details of particulars of senior management including changes therein since close of the previous financial years are as under:

9.1 Particulars of senior management:

Sr. No.	Name	Designation
1	Mr. Nilesh Hirapara	Chief Financial Officer
2	Mr. Vikram Khandelwal	Sr. Vice President
3	Mr. Chintankumar Patel	Company Secretary

9.2 Changes in senior management during FY24: During year Mr. Bhavesh Shah Chief financial officer of the company has resigned and Mr. Nilesh Hirapara appointed as Chief financial officer of the company on 10th April 2023.

10 INFORMATION OF GENERAL BODY MEETINGS

10.1 The last three Annual General Meetings (AGM) were held as under:

F.Y.	Day, Date and Time	Meeting and Venue	Details of Special Resolution
2022-23	Saturday 5th August 2023 02.00 p.m.	6th Annual General Meeting conducted through VC / OAVM pursuant to the MCA Circular	Following Special resolution was passed: 1. Re-appointment of Mr. Arpit Patel as an Independent Director. 2. Re-appointment of Mr. Ganpatraj Chowdhary as an Independent Director. 3. Re-appointment of Ms. Reena Bhagwati as an Independent Director. 4. Approval for enhancement of borrowing limits of the company under section 180(1)(c) of the Companies Act, 2013. 5. Approval for mortgage, sell, lease or dispose off the assets of the company under section 180(1)(a) of the Companies Act, 2013.
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

10.2 The last three Extra Ordinary General Meeting were held as under: No Extra ordinary general meeting held in last three years.

10.3 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.

11 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/disclosures/>.

12 GENERAL SHAREHOLDER INFORMATION

12.1 Annual General Meeting:

Date	3rd August 2024
Time	11:00 a.m.
Venue	Through Video Conferencing /Other Audio Visual Means. For details of VC/ OAVM please refer to the Notice of this AGM.

12.2 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 first quarter ending 30th June 2024	Within 45 days of the end of the quarter
Quarterly/Half-yearly results and Limited Review for the quarter and six months ending 30th September 2024	
Quarterly/Nine-months results and Limited Review for the quarter and nine months ending 31st December 2024	
Results for the quarter and year ending 31st March 2025	Within 60 days of the end of the financial year

12.3 Book Closure: Sunday, 28th July 2024 to Saturday, 3rd August 2024 (Both Days inclusive).**12.4 Dividend payment Date:** The Company has recommended final dividend of ₹ 15/- per equity share and one-time special dividend of ₹ 5/- per equity share, totaling to a dividend of ₹ 20/- per equity share of face value of ₹ 10/- each 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.**12.5 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

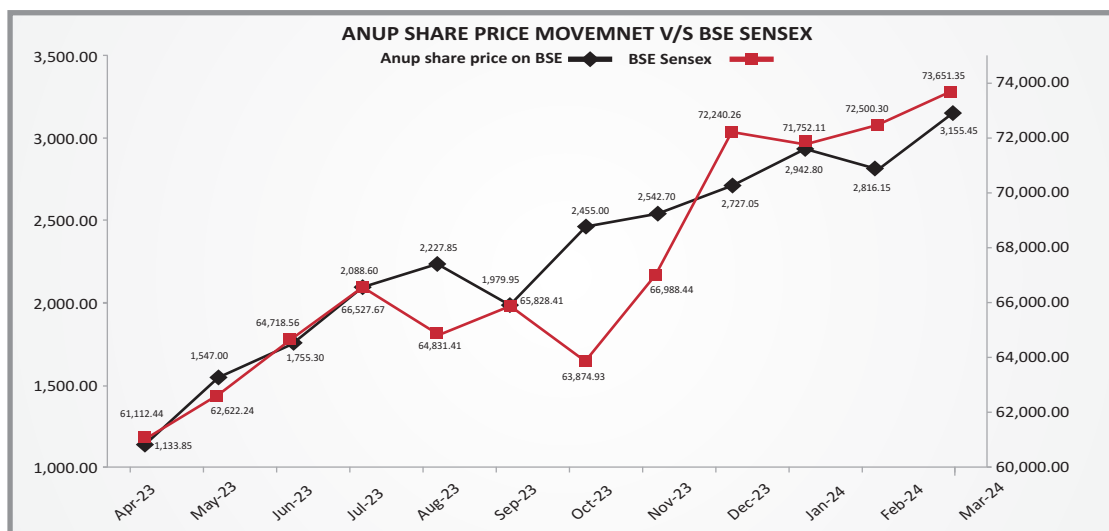
The Company has paid Annual Listing Fees for the Financial Year 2024-25 to each stock Exchanges.

12.6 Market Price data:

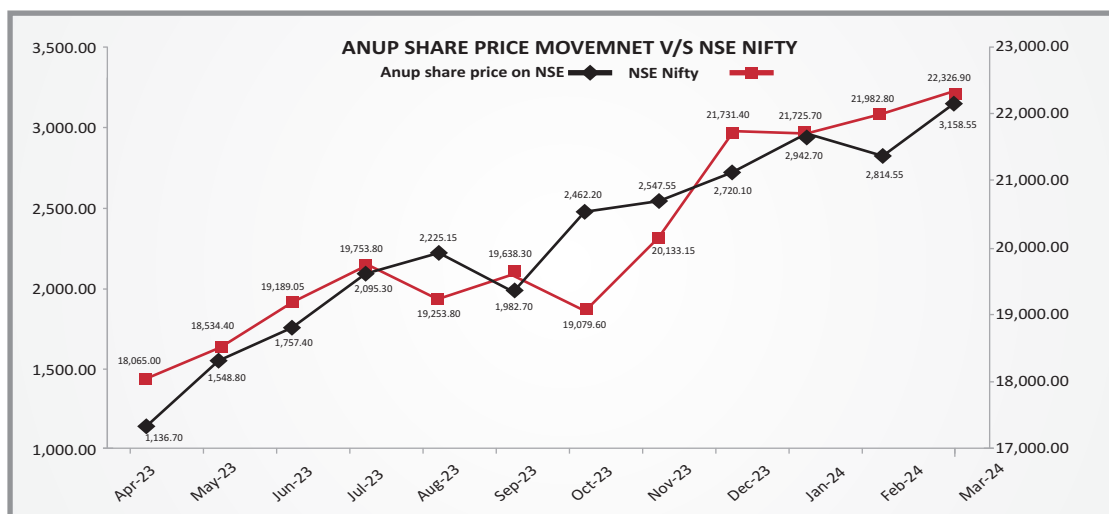
The Market and volume of the Company's share traded on BSE Limited and National Stock Exchange of India Limited during the financial year 2023-24 were as under:

Month	Share Price on BSE		Volumes	BSE (Sensx)		Share Price on NSE		Volumes	NSE (Nifty)	
	High (₹)	Low (₹)	No. of Shares	High (₹)	Low (₹)	High (₹)	Low (₹)	No. of Shares	High (₹)	Low (₹)
April	1,155.95	1,009.95	43,324	61,209.46	58,793.08	1,156.95	1,011.60	2,91,676	18,089.15	17,312.75
May	1,560.00	1,115.75	1,74,359	63,036.12	61,002.17	1,560.35	1,115.00	15,35,107	18,662.45	18,042.40
June	1,778.50	1,500.90	68,557	64,768.58	62,359.14	1,780.00	1,501.20	6,68,879	19,201.70	18,478.40
July	2,180.05	1,710.95	98,214	67,619.17	64,836.16	2,180.70	1,710.05	11,74,352	19,991.85	19,234.40
August	2,348.55	2,030.00	66,859	66,658.12	64,723.63	2,348.70	2,013.35	8,66,906	19,795.60	19,223.65
September	2,250.70	1,927.00	46,566	67,927.23	64,818.37	2,255.00	1,927.50	5,02,802	20,222.45	19,255.70
October	2,570.55	1,856.00	79,119	66,592.16	63,092.98	2,569.00	1,928.10	10,45,283	19,849.75	18,837.85
November	2,950.00	2,325.60	48,365	67,069.89	63,550.46	2,951.05	2,331.20	5,27,795	20,158.70	18,973.70
December	2,809.40	2,488.65	24,330	72,484.34	67,149.07	2,829.35	2,487.95	2,93,342	21,801.45	20,183.70
January	3,113.65	2,642.95	49,170	72,484.34	70,001.60	3,130.65	2,645.05	4,18,203	22,124.15	21,137.20
February	3,168.00	2,525.30	27,599	73,413.93	70,809.84	3,176.50	2,522.00	3,26,153	22,297.50	21,530.20
March	3,324.35	2,509.30	52,489	74,245.17	71,674.42	3,325.05	2,501.00	6,61,832	22,526.60	21,710.20

12.7 Performance of the Company's equity shares (closing share price) in comparison to BSE (Sensex)



12.8 Performance of the Company's equity shares (closing share price) in comparison to NSE (Nifty)



12.9 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

12.10 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 2023 to 31st March 2024:

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.

12.11 Category wise shareholding as on 31st March 2024:

Sr. No.	Category	No. of shares held	% of Shareholding
1	Promoters and Promoter Group	42,53,215	42.74
2	Mutual Funds	3,06,907	3.08
3	Alternate Investment Funds	5,58,735	5.62
4	Bank	21,201	0.21
5	Insurance Company	1,82,224	1.83
6	NBFCs registered with RBI	983	0.01
7	Foreign Portfolio Investors Category I	81,478	0.82
8	Foreign Portfolio Investors Category, Foreign Bank, Foreign Portfolio Investors Category III	3,435	0.03
9	State Government /Governor	8	0.00
10	Investor Education and Protection Fund (IEPF)	4,009	0.04
11	Individuals	36,94,912	37.13
12	Non Resident Indians (NRIs)	1,73,092	1.74
13	Foreign Nationals	37	0.00
14	Bodies Corporate	4,44,718	4.47
15	Clearing Members	819	0.01
16	Overseas Corporate Bodies	107	0.00
17	Trusts	1,860	0.02
18	HUF	1,61,757	1.63
19	Body Corp - Limited Liability Partnership	60,986	0.61
	Total	99,50,483	100.00

12.12 Distribution of shareholding as on 31st March 2024:

Share Range		Number of Shareholders	% of total Shareholders	No. of Shares	% of Issued Capital
From	To				
1	500	86,386	98.89	17,27,339	17.36
501	1000	486	0.56	3,52,002	3.54
1001	2000	254	0.29	3,65,818	3.68
2001	3000	56	0.06	1,38,329	1.39
3001	4000	29	0.03	1,01,273	1.02
4001	5000	29	0.03	1,31,395	1.32
5001	10000	59	0.07	4,25,128	4.27
10001	*****	57	0.07	67,09,199	67.43
Total		87,356	100.00	99,50,483	100.00

12.13 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 2024:

Particulars	No. of Shares	In %
Held in Dematerialized Form in CDSL	17,87,004	17.96
Held in Dematerialized Form in NSDL	79,74,091	80.14
Physical	1,89,388	1.90
Total	99,50,483	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. 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.

12.14 Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, conversion date and likely Impact on Equity:

During the financial year 2023-24, 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.

12.15 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 2024. 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.

12.16 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.

12.17 Plant locations:

Registered office & Works 1: Behind 66 KV Elec. Sub-Station, Odhav Road, Ahmedabad-382415, Gujarat, India.

Works 2: Village Hariyala, L S NO 439 437 413 Paiki, On National Highway, Hariyala, Kheda-387570, Gujarat, India.

12.18 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 Behind 66 KV Elec. Sub-Station, Odhav Road, Ahmedabad- 382415 Phone No. : +91 -79 - 4025 8900 Investor connect: +91 - 79 - 4025 8920 Email: investorconnect@anupengg.com Website: www.anupengg.com	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 Phone No. : +91 79 26465179 /86 / 87 Email: ahmedabad@linkintime.co.in Website: www.linkintime.co.in
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12.19 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 Company has appointed a Nodal officer under the provisions of IEPF Rules, the details of which are available on the website of the Company at: <https://www.anupengg.com/wp-content/uploads/2024/04/Details-of-the-Nodal-Officer.pdf>.

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
2022-23	150%	5th August 2023	9th October 2030

* Actual date of transfer may vary.

13 OTHER DISCLOSURE

13.1 All transactions entered into by the Company with related parties as defined under the Act and the SEBI Listing Regulations, during the financial year 2023-24 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/>.

13.2 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.

13.3 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 bower 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.

13.4 During the year ended 31st March 2024, 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/>.

13.5 The policy on dealing with related party transactions is available on website of the company at <https://www.anupengg.com/policies/>.

13.6 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.

13.7 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.

13.8 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.

13.9 The Company has followed all relevant Accounting Standards notified by the Companies (Indian Accounting Standards) Rules, 2015 while preparing Financial Statements for Financial Year 2023-24.

13.10 Disclosure with respect to demat suspense account/ unclaimed suspense account: Not applicable.

13.11 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.

13.12 During the Financial Year 2023-24, the total fees for all services paid by the Company to statutory auditor and all entities in the network firm/network entity of statutory auditor was ₹ 21.89 Lakhs.

13.13 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 2023-24: Nil

Number of complaints disposed off during the financial year 2023-24: NA

Number of complaints pending as on end of the financial year: NA

14 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.

15 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.

16 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 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 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, Investor presentation, Press release, Investor conference call and 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.

16.1 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.

16.2 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 4th May 2024 and the same was approved.

For and on behalf of the Board

Sanjay S. Lalbhai

Chairman

DIN: 00008329

Place: Ahmedabad

Date: 4th May 2024

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: L29306GJ2017PLCO99085
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: L29306GJ2017PLCO99085 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 2024 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. Samvegbbhai 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: 4th May 2024

CS Ankita Patel
Practicing Company Secretary
M. No.:F8536; COP: 16497
Peer Review Certificate No. No.: 1594/2021
UDIN: Foo8536F000309111

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 2024 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
Date: 4th May 2024

Reginaldo Dsouza
Chief Executive Officer

Nilesh Hirapara
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 2024.

Place: Ahmedabad
Date: 4th May 2024

Reginaldo Dsouza
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, 2024, 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, 2024.

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: 24100892BJZXFY5034

Place: Ahmedabad

Date: 4th May 2024

Independent Auditor's Report

TO THE MEMBERS OF THE ANUP ENGINEERING LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of The Anup Engineering Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, 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 the material accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31 2024, 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 financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. 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 as per Ind AS 115 "Revenue from Contracts with	Principal Audit Procedures Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantivetestingas follows:

Sr. No.	Key Audit Matter	Auditor's Response
	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 and recognise revenue over a period and recognition of contract assets. Accordingly, timing of recognition of revenue is a key audit matter. Refer Note 17 to the Financial Statements	<ul style="list-style-type: none"> Assessing the Company's accounting policies for revenue recognition by comparing with applicable accounting standards; Selected samples by statistical sampling of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations, determination of transaction price and timing of recognition of revenue from sale of products; 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: <ul style="list-style-type: none"> 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 recognition of contract assets; Testing of revenue recognised during the year and verifying the underlying customer contracts and proof of delivery/dispatch in accordance with the

Sr. No.	Key Audit Matter	Auditor's Response
		<p>contractual terms agreed with the customers;</p> <ul style="list-style-type: none"> • Testing of revenue recognised near the year-end, through specific testing of high value samples to verify only revenue pertaining to current year is recognised based on underlying documents along with terms and conditions set out in customer contract; • Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings.

Information Other than the 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 financial statements and our auditor's report thereon.

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

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

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

Management's Responsibility for the Financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and

prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial statements

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

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

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

- As required by Section 143(3) of the Act, based on our audit we report that:
 - 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.
 - 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.
 - 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.
 - In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- 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.
- 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.
- 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:
 - The Company has disclosed the impact of pending litigations on its financial position in its financial statements;
 - The Company did not have any long-term contract including derivative contracts for which there were any material foreseeable losses
 - There have been no amounts required to be transferred to the Investor Education and Protection Fund by the Company.
 - 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.
 - 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
 - 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. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account which have a feature of recording audit trail facility and the audit trail feature has been operating throughout the year for all relevant transactions recorded in the software, except that audit trail was not enabled at the database level to log any direct data changes.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the year ended March 31, 2024.
- 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.**
Chartered Accountants
Firm's Registration No. 110417W

CA. Chokshi Shreyas B.
Partner
Membership No.100892
UDIN: 24100892BJZWWA7602

Place : Ahmedabad
Date : 4th May 2024

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, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Place : Ahmedabad
Date : 4th May 2024

CA. Chokshi Shreyas B.
Partner
Membership No. 100892

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 (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) 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 not 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. Accordingly, clause 3(iii) of the Order is not applicable.

- 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 and 186 of the Act. Accordingly, clause 3(vi) of the Order is not applicable.

- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.

- vi. 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, 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, 2024 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, 2024 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	9.63	2016-17	Commissioner of Income tax (Appeals)
		363.06	2018-19	
		59.23	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 given to us, in respect of Company's Borrowings:

- The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- The Company is not a declared willful defaulter by any bank or financial institution or other lender.
- The Company has not obtained any term loans during the year.
- The funds raised on short term basis have not been utilized for long-term purposes.
- The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.
- 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:

- 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.
- 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.

- As represented to us by the management, there are no whistleblower complaints received by the company during the year.
- 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.
- 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.
- 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.
 - We have considered the internal audit reports issued to the Company during the year and till date, for the period under the audit.
- 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.
- 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.
 - 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.
- According to the information and explanations given to us, the Company has not incurred cash losses in the current and immediately preceding financial year.
- According to the information and explanations given to us, there has been no resignation of the statutory auditors during the year.
- According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization 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):
- a) There is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 in respect of other than ongoing projects.
 - b) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there is no unspent CSR amount for the year required a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of Section 135 of the Companies

Act, 2013. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

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

Place : Ahmedabad
Date : 4th May 2024

CA. Chokshi Shreyas B.
Partner
Membership No. 100892

Balance Sheet as at March 31, 2024

(₹ in Lakhs)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
ASSETS			
I. Non-Current Assets			
(a) Property, plant and equipment	5	29,954.35	20,068.62
(b) Capital work-in-progress	5	1,550.42	8,702.56
(c) Intangible assets	6	1,367.19	1,670.09
(d) Intangible assets under development	6	5.40	-
(e) Financial assets			
(i) Other financial assets	7 (e)	1,105.54	263.21
(f) Other non-current assets	8	382.70	168.60
Total Non-Current Assets (A)		34,365.60	30,873.08
II. Current Assets			
(a) Inventories	9	16,528.45	12,691.84
(b) Financial assets			
(i) Investments	7 (a)	10,386.24	-
(ii) Trade receivables	7 (b)	12,724.06	14,856.22
(iii) Cash and cash equivalents	7 (c)	1,774.75	3,108.78
(iv) Bank balance other than (iii) above	7 (d)	352.73	150.82
(v) Others financial assets	7 (e)	168.75	18.17
(c) Other current assets	10	4,542.50	2,592.55
Total Current Assets (B)		46,477.48	33,418.38
TOTAL ASSETS (A) + (B)		80,843.08	64,291.46
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	11	995.05	989.62
(b) Other equity	12	51,849.59	42,778.46
Total Equity (A)		52,844.64	43,768.08
LIABILITIES			
I. Non-Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	13 (a)	1,379.00	3,002.54
(ii) Lease liabilities	34	84.13	-
(b) Deferred tax liabilities (net)	25	1,244.92	1,209.78
(c) Provisions	14	239.87	-
Total Non-Current Liabilities (B)		2,947.92	4,212.32
II. Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	13 (a)	548.36	431.51
(ii) Lease liabilities	34	16.48	-
(iii) Trade payables	13 (b)	1,327.98	62.45
Total outstanding dues of micro enterprises and small enterprises		4,963.79	6,520.05
Total outstanding dues of creditors other than micro enterprises and small enterprises		861.34	384.77
(iv) Other financial liabilities	13 (c)	143.38	73.89
(b) Provisions	14	15,451.97	7,297.40
(c) Other current liabilities	15	1,737.22	1,540.99
(d) Current tax liabilities (net)	16	25,050.52	16,311.06
Total Current Liabilities (C)		80,843.08	64,291.46
TOTAL EQUITY AND LIABILITIES (A) + (B) + (C)		80,843.08	64,291.46

See accompanying notes forming part of the 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 : 4th May 2024

For and on behalf of the board of directors of The Anup Engineering Limited

Sanjay S. Lalbhai
Chairman
DIN: 00008329

Nilesh Hirapara
Chief Financial Officer

Place : Ahmedabad
Date : 4th May 2024

Punit S. Lalbhai
Director
DIN: 05125502

Chintankumar Patel
Company Secretary
Membership No. A29326

Reginaldo Desouza
Chief Executive Officer

Statement of Profit and Loss for the year ended March 31, 2024

(₹ in Lakhs)

Particulars	Notes	Year Ended March 31, 2024	Year Ended March 31, 2023
I. INCOME			
(a) Revenue from operations	17	55,038.45	41,133.81
(b) Other income	18	906.37	124.21
TOTAL INCOME		55,944.82	41,258.02
II. EXPENSES			
(a) Cost of raw materials consumed	19	27,166.47	23,320.80
(b) Changes in inventories of finished goods and work-in-progress	20	1,331.56	(1,137.68)
(c) Employee benefits expense	21	3,096.11	2,045.69
(d) Finance costs	22	217.44	140.83
(e) Depreciation and amortisation expense	23	1,746.40	1,254.05
(f) Other expenses	24	10,769.25	8,634.51
TOTAL EXPENSES		44,327.23	34,258.20
III. PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX (I-II)		11,617.59	6,999.82
IV. Exceptional items		-	-
V. PROFIT BEFORE TAX (III-IV)		11,617.59	6,999.82
VI. Tax Expense	25		
(a) Current tax		2,650.00	1,815.00
(b) Excess provision of tax for the earlier years written back		(1,451.15)	-
(c) Deferred Tax Charge/(Credit)		71.24	41.82
Total Tax Expense		1,270.09	1,856.82
VII. PROFIT FOR THE YEAR (V-VI)		10,347.50	5,143.00
VIII. Other Comprehensive Income/(Loss)			
Items that will not be reclassified to Profit and Loss			
(i) Remeasurement income/(loss) of defined benefit plans	30	(116.29)	11.52
(ii) Income tax related to above item	25	29.27	(2.90)
Items that will be reclassified to Profit and Loss			
(i) Remeasurement income/(loss) of Cash flow hedge reserve	-	(27.93)	-
(ii) Income tax related to above item	25	7.03	-
(iii) Remeasurement income/(loss) of Debt Instruments	-	0.78	-
(iv) Income tax related to above item	25	(0.20)	-
Net Other Comprehensive Income/(Loss) for the year (net of tax) (VIII)		(107.34)	8.62
IX. TOTAL COMPREHENSIVE INCOME FOR THE YEAR (NET OF TAX) (VII+VIII)		10,240.16	5,151.62
X. Earnings Per Equity Share [Nominal Value Per Share ₹10]	32		
- Basic		52.20	26.01
- Diluted		51.85	25.84

See accompanying notes forming part of the 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 : 4th May 2024

For and on behalf of the board of directors of The Anup Engineering Limited

Sanjay S. Lalbhai
Chairman
DIN: 00008329

Nilesh Hirapara
Chief Financial Officer

Place: Ahmedabad
Date : 4th May 2024

Punit S. Lalbhai
Director
DIN: 05125502

Chintankumar Patel
Company Secretary
Membership No. A29326

Reginaldo Desouza
Chief Executive Officer

Statement of Cash Flows for the year ended March 31, 2024

(₹ in Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
A Cash Flow from Operating Activities		
Profit Before Tax	11,617.59	6,999.82
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation/Amortization	1,746.40	1,254.05
Interest income from financial assets	(184.42)	(95.31)
Gain on sale of current investments	(289.48)	-
Change in fair valuation of current investments	(164.86)	-
Finance Cost	217.44	140.83
Allowance/(Reversal) for doubtful debts	260.23	(17.95)
Allowance/(Reversal) for doubtful Advances	(5.85)	(3.31)
Property, Plant & Equipment written off	-	7.71
Sundry Debit/(Credit) Balances appropriated	23.86	(7.64)
Loss/(Profit) on sale of Property, Plant & Equipment	(12.28)	3.83
Unrealised loss / (gain) on foreign exchange fluctuation (net)	(109.50)	(29.22)
Provision for Warranty	200.00	-
Share based payment expense	146.46	43.13
	1,828.00	1,296.12
Operating Profit before Working Capital Changes	13,445.59	8,295.94
Adjustments for changes in working capital :		
(Increase)/Decrease in inventories	(3,836.61)	(3,672.15)
(Increase)/Decrease in trade receivables	1,978.54	(2,331.80)
(Increase)/Decrease in other financial assets	49.82	(21.43)
(Increase)/Decrease in other assets	(1,983.70)	(1,317.96)
Increase/(Decrease) in trade payables	(289.86)	2,260.63
Increase/(Decrease) in other financial liabilities	429.63	110.55
Increase/(Decrease) in other current liabilities	8,154.57	1,000.85
Increase/(Decrease) in provisions	(6.93)	(11.67)
Net Changes in Working Capital	4,495.46	(3,982.98)
Cash Generated from Operations	17,941.05	4,312.96
Direct Taxes paid (Net of Tax refund)	(1,002.62)	(1,311.25)
Net Cash Flow from Operating Activities - (A)	16,938.43	3,001.71
B Cash Flow from Investing Activities		
Purchase of Property, Plant & Equipment (including Capital advances)	(4,291.18)	(7,491.86)
Proceeds from disposal of Property, Plant & Equipment	30.18	17.47
Purchase of Current Investments	(10,210.76)	-
Income from Sale of Current Investments	289.48	-
Changes in other bank balances not considered as cash and cash equivalents	(1,094.06)	4,008.25
Interest Received	24.00	127.74
Net Cash Flow used in Investing Activities - (B)	(15,252.34)	(3,338.40)
C Cash Flow from Financing Activities		
Proceeds from Issue of Share Capital	175.86	22.73
Proceeds from Long Term Borrowings (Net)	(1,506.69)	3,434.05
Dividend paid	(1,466.75)	(781.00)
Payments towards fractional entitlement	(0.16)	(0.10)
Principal repayment of lease liabilities	(6.96)	-
Interest paid on lease liabilities	(2.51)	-
Interest Paid	(214.93)	(179.72)
Net Cash Flow used in Financing Activities - (C)	(3,022.14)	2,495.96
Net Increase in cash and cash equivalents (A + B + C)	(1,336.05)	2,159.27
Cash and Cash equivalent at the beginning of the year	3,108.78	949.51
Add : Effects of movements in exchange rates on Cash and Cash equivalents	2.02	-
Cash and Cash equivalent at the end of the year	1,774.75	3,108.78

Statement of Cash Flows for the year ended March 31, 2024

Reconciliation of cash and cash equivalents

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Cash and cash equivalents :		
Cash on Hand	0.60	0.55
Balances with Banks	1,774.15	3,108.23
Cash and cash equivalents as per Balance Sheet (Refer Note 7 (c))	1,774.75	3,108.78
Cash and cash equivalents as per Cash flow Statement	1,774.75	3,108.78

See accompanying notes forming part of the financial statements

Disclosure under para 43 as set out in Ind As 7 on cash flow statements under companies (Indian Accounting Standards) Rules, 2015 (as amended)

Non-cash financing and investing activities

Particulars	Note No.	March 31, 2024	March 31, 2023
Acquisition of right-of-use assets	34	107.57	-

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, 2023	Cash Flows	Other changes	As at March 31, 2024
Long term borrowings	13 (a)	3,434.05	(1,506.69)	-	1,927.36
Lease liabilities	34	-	(9.47)	110.08	100.61
Total		3,434.05	(1,516.16)	110.08	2,027.97

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 : 4th May 2024

For and on behalf of the board of directors of The Anup Engineering Limited

Sanjay S. Lalbhai
Chairman
DIN: 00008329

Nilesh Hirapara
Chief Financial Officer

Place : Ahmedabad
Date : 4th May 2024

Punit S. Lalbhai
Director
DIN: 05125502

Chintankumar Patel
Company Secretary
Membership No. A29326

Reginaldo Desouza
Chief Executive Officer

Statement of Changes in Equity for the year ended March 31, 2024

A. Equity share capital

Particulars	Amount
As at April 1, 2022	988.12
Add : Issued during the year under ESOP	150
As at March 31, 2023	989.62
As at April 1, 2023	989.62
Add : Issued during the year under ESOP	5.43
As at March 31, 2024	995.05

B. Other equity

Particulars	Reserves and Surplus (Note 12)						Share Suspense Account (Note 12)	Total other equity
	Capital Reserve	Capital Rede- mption Reserve	Share Based Payment Reserve (Note 33)	Securities Premium	Cash flow hedge reserve	Debt Instrument through other compre- hensive income		
Balance as at April 1, 2022	5.00	38.78	103.99	17,994.32	-	20,210.88	38,352.97	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	5,151.62
Add: Issue of Shares under Employee Stock Option Plan	-	-	43.13	-	-	-	43.13	43.13
Less: Transfer to Securities premium account	-	-	(9.71)	-	-	-	(9.71)	(9.71)
Add: Received during the year	-	-	-	21.23	-	-	21.23	21.23
Add: Transfer from Share based payment reserve	-	-	-	9.71	-	-	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	42,778.46
Balance as at April 1, 2023	5.00	38.78	137.41	18,025.26	-	24,572.01	42,778.46	42,778.46
Profit for the year	-	-	-	-	-	10,347.50	-	10,347.50
Other comprehensive income/(loss) for the year	-	-	-	-	(20.90)	0.58	(87.02)	(107.34)
Total Comprehensive income for the year	-	-	-	-	(20.90)	0.58	10,260.48	10,240.16
Add: Issue of Shares under Employee Stock Option Plan	-	-	146.46	-	-	-	146.46	146.46
Less: Transfer from/(to) Securities premium account	-	-	(20.83)	-	-	-	(20.83)	995.05
Add: Received during the year	-	-	-	170.43	-	-	170.43	170.43
Add: Transfer from Share based payment reserve	-	-	-	20.83	-	-	20.83	20.83
Less: Transfer to Share Suspense Account	-	-	-	(995.05)	-	-	(995.05)	(995.05)
Less: Dividend paid during the year	-	-	-	-	-	(1,485.92)	-	(1,485.92)
Balance as at March 31, 2024	5.00	38.78	263.04	17,221.47	(20.90)	0.58	33,346.57	50,854.54
							995.05	51,849.59

Note: Refer note 12 for nature and purpose of reserves and surplus.

See accompanying notes forming part of the financial statements

In terms of our report attached

For, Sorab S. Engineer & Co.

Firm's Registration No. 110417W

CA. Chokshi Shreyas B.

Partner

Membership No. 100892

Place : Ahmedabad

Date : 4th May 2024

For and on behalf of the board of directors of The Anup Engineering Limited

Sanjay S. Lalbhai

Chairman

DIN: 00008329

Nilesh Hirapara

Chief Financial Officer

Place : Ahmedabad

Date : 4th May 2024

Punit S. Lalbhai

Director

DIN: 05125502

Chintankumar Patel

Company Secretary

Membership No. A29326

Reginaldo Desouza

Chief Executive Officer

Notes to the Financial Statements for the year ended March 31, 2024

1. Company 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 financial statements have been considered and approved by the Board of Directors at their meeting held on May 04, 2024.

2. Statement of Compliance and Basis of Preparation

The 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 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, 2024 have been prepared in accordance with Ind AS as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Rounding of amounts

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

3. Summary of Material 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 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 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 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 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 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 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.

- Material 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
- 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

Notes to the Financial Statements

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.

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

Notes to the Financial Statements

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. 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 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

Notes to the Financial Statements

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 and when 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 Goods and 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 Company 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 none 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.

Notes to the Financial Statements

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

Notes to the Financial Statements

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

Notes to the Financial Statements

asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

3.14. 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

Notes to the Financial Statements

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

Notes to the Financial Statements

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 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 financial statements when an inflow of economic benefits is probable.

3.22. 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 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.

Notes to the Financial Statements

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 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 material 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 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 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 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 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 selling price, or as a termination of the existing contract and creation of a new contract if not priced at the 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

Notes to the Financial Statements

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 Financial Statements

Note 5 : Property, plant and equipment

(₹ in Lakhs)

Particulars	ROU Asset (Note 34)	Freehold Land	Leasehold Land (Refer note 1 below)	Building	Plant & Machinery	Furniture & Fixture	Vehicles	Office Equipment	Computer, Server & Network	Total	Capital Work in Progress
Gross Carrying Amount											
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	-	-	1722	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
Additions	107.57	-	-	6,334.05	4,421.07	26.44	279.58	40.31	76.20	11,285.22	3,485.86
Deductions	-	-	1722	-	26.21	0.06	35.45	-	-	78.94	10,638.00
As at March 31, 2024	107.57	4,217.73	4,762.59	13,054.81	11,848.29	86.58	518.10	95.78	152.40	34,843.85	1,550.42
Accumulated Depreciation and Impairment											
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	-
Depreciation for the year	9.03	-	-	382.50	894.18	6.13	46.12	8.72	17.69	1,364.37	-
Deductions	-	-	-	-	19.00	0.06	24.76	-	-	43.82	-
As at March 31, 2024	9.03	-	-	1,190.47	3,370.34	44.54	157.42	50.49	67.21	4,889.50	-
Net Carrying Amount											
As at March 31, 2024	98.54	4,217.73	4,762.59	11,864.34	8,477.95	42.04	360.68	45.29	85.19	29,954.35	1,550.42
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

Notes:

1. Deduction of leasehold land represents amortisation.
2. Refer note 13(a) for properties pledged as security.
3. Refer Note 27(a) for contractual commitments with respect to property, plant and equipments.
4. Title deeds of immovable properties are held in the name of the Company except for the following:

Notes to the Financial Statements

(₹ in Lakhs)

Note 5 : Property, plant and equipment (Contd.)**As at 31 March 2024**

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 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.

5. Details of Borrowing Cost Capitalised:

Particulars	Other Adjustments			
	For the year		Transfer from capital work in progress	
	2023.24	2022-23	2023.24	2022-23
Borrowing Cost	164.81	-	38.89	-
Total	164.81	-	38.89	-

6. Capital work-in-progress ageing schedule:**As at 31 March 2024**

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	1,198.89	326.35	25.18	-	1,550.42
Projects temporarily suspended	-	-	-	-	-
Total	1,198.89	326.35	25.18	-	1,550.42

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

Notes to the Financial Statements

(₹ in Lakhs)

Note 6 : Intangible assets

Particulars	Computer Software	Patent & Technical Knowhow	Licenses	Total	Intangible Assets under development
Gross Carrying Amount					
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	-
Additions	61.91	-	-	61.91	5.40
Deductions	-	-	-	-	-
As at March 31, 2024	123.74	11.36	3,500.00	3,635.10	5.40
Accumulated Amortisation					
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	-
Amortisation for the year	14.81	-	350.00	364.81	-
Deductions	-	-	-	-	-
As at March 31, 2024	69.05	11.36	2,187.50	2,267.91	-
Net Carrying Amount					
As at March 31, 2024	54.69	-	1,312.50	1,367.19	5.40
As at March 31, 2023	7.59	-	1,662.50	1,670.09	-

1. Intangible Assets under development ageing schedule:

As at 31 March 2024

Intangible Assets under development	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	5.40	-	-	-	5.40
Projects temporarily suspended	-	-	-	-	-
Total	5.40	-	-	-	5.40

As at 31 March 2023

Intangible Assets under development	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	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

2. Refer Note 27 (a) for contractual commitments with respect to intangible assets

Notes to the Financial Statements

(₹ in Lakhs)

Note 7 : Financial assets**7 (a) Investments**

Particulars	As at March 31, 2024	As at March 31, 2023
Current Investments		
Measured at Fair Value Through Profit and Loss		
Investments in mutual funds (quoted)	5,429.06	-
Measured at Fair Value Through Other Comprehensive Income		
Investment in bonds (quoted)	4,957.18	-
Total Current Investments	10,386.24	-
Aggregate Market Value of Quoted Investments	10,386.24	-
Aggregate Amount of Unquoted Investments	-	-

7 (b) Trade Receivables

Particulars	As at March 31, 2024	As at March 31, 2023
Current		
Unsecured, considered good	12,813.49	14,856.22
Unsecured, Credit impaired	248.94	78.14
	13,062.43	14,934.36
Less: Allowance for Expected Credit Loss	(89.43)	-
Less: Allowance for doubtful debts	(248.94)	(78.14)
Total Trade Receivables	12,724.06	14,856.22
Receivable from Enterprise over which Key Management Personnel are able to exercise significant influence (Refer Note 31)	0.42	-

Notes:

- 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.
- Trade receivables are non-interest bearing and are generally on terms of 30 to 180 days.
- Trade receivables includes unbilled revenue of ₹8,097.19 Lakhs (Previous Year ₹816.35 Lakhs).
- Trade receivables are hypothecated to secure working capital facilities from Banks.

5. Allowance for Expected Credit Loss and doubtful debts

Allowance for Expected Credit Loss based on the lifetime expected credit loss model using provision matrix. Movement in allowance for Expected Credit Loss and doubtful debts are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Balance as per last financial statements	78.14	348.86
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)	260.23	-
Total	338.37	78.14

Notes to the Financial Statements

(₹ in Lakhs)

Note 7 : Financial assets (Contd.)

6. Trade receivables ageing Schedule: As at March 31, 2024

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	8,097.19	2,875.08	1,240.01	454.83	106.70	39.68	-	12,813.49
Undisputed Trade receivables - which have significant increase in risk	-	-	-	-	-	-	-	-
Undisputed Trade receivables - credit impaired	-	-	-	25.84	223.10	-	-	248.94
Disputed Trade receivables - Considered Good	-	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in risk	-	-	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-	-
Total	8,097.19	2,875.08	1,240.01	480.67	329.80	39.68	-	13,062.43

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	11,711.77	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

7 (c) Cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Cash on hand	0.60	0.55
Balance with Banks		
In Current accounts	1.53	1.55
In Cash credit accounts	252.01	31.68
In EEFC accounts	820.61	-
In Fixed Deposit with original maturity of less than 3 months	700.00	3,075.00
Total cash and cash equivalents	1774.75	3108.78

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

Notes to the Financial Statements

(₹ in Lakhs)

Note 7 : Financial assets (Contd.)**7 (d) Other Bank Balance**

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with bank in fixed deposit against margin money (Original maturity within 3 to 12 months)*	194.37	11.47
Earmarked balances with bank (Unpaid Dividend)#	61.87	42.70
Unpaid Fractional Share account^	96.49	96.65
Total other bank balances	352.73	150.82

* Under lien with bank as Security for Guarantee given by the bankers.

The Company can utilise this balance towards payment of unpaid dividend only.

^ The Company can utilise this balance towards payment of fractional shares only.

7 (e) Other financial assets

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good unless otherwise stated		
Non-Current		
Balances with bank in fixed deposit against margin money (Original maturity of more than 12 months)*	-	170.50
Fixed Deposit with Banks (Original maturity of more than 12 months)	1,062.65	-
Security deposits	42.89	92.71
Total Non-Current Other Financial Asset (A)	1,105.54	263.21
Current		
Interest receivable	168.75	18.17
Total Current Other Financial Asset (B)	168.75	18.17
Total (A) + (B)	1,274.29	281.38

* Under lien with bank as Security for Guarantee given by the bankers

Notes to the Financial Statements

(₹ in Lakhs)

Note 8 : Other Non-Current Assets

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good unless otherwise stated		
Capital Advances	364.31	165.95
Prepayments	18.39	2.65
Other than capital advances		
Advances to suppliers, doubtful	-	5.85
Less: Allowance for doubtful advances	-	(5.85)
Total	382.70	168.60
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, 2024	As at March 31, 2023
Balance at the beginning of the year	5.85	9.16
Add: Allowance for the year	-	-
Less: Excess allowance written back (Refer Note 18)	(5.85)	(3.31)
Balance at the end of the year	-	5.85

Note 9 : Inventories (At lower of cost and net realisable value)

Particulars	As at March 31, 2024	As at March 31, 2023
Raw materials	9,899.18	4,723.89
Stores and spares	305.75	312.87
Work-in-progress	6,319.62	7,652.90
Waste	3.90	2.18
Total	16,528.45	12,691.84

The changes in write downs are recognised as an expense during the year and included in 'cost of raw material consumed' in the statement of profit and loss.

Inventories are hypothecated to secured working capital facilities from banks.

Note 10 : Other Current Assets

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, Considered Good unless otherwise stated		
Advance to suppliers		
-To related parties (Refer Note 31)	48.22	41.85
-To others	1,131.12	638.25
Balance with Government Authorities (Refer Note below (i))	2,793.70	516.26
Export incentive receivable	136.75	31.79
Prepayments	432.71	1,364.40
Total	4,542.50	2,592.55

Advance to Directors or to firm/Private company where director is interested

Note: (i) Balance with Government Authorities mainly consist of input credit availed.

Notes to the Financial Statements

(₹ in Lakhs)

Note 11 : Equity share capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	₹ in Lakh	No. of shares	₹ in Lakh
Authorised share capital				
Equity shares of ₹ 10/- each	6,53,50,000	6,535.00	6,52,50,000	6,525.00
Issued, subscribed and paid-up share capital				
Equity shares of ₹ 10/- each	99,50,483	995.05	98,96,150	989.62
Total	99,50,483	995.05	98,96,150	989.62

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

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	₹ in Lakh	No. of shares	₹ in Lakh
Outstanding at the beginning of the year	98,96,150	989.62	98,81,150	988.12
Add: Exercise of options - proceeds received	54,333	5.43	15,000	1.50
Changes in Equity Share Capital during the year	54,333	5.43	15,000	1.50
Outstanding at the end of the year	99,50,483	995.05	98,96,150	989.62

(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, 2024	
	No. of shares	% of shareholding
Aura Securities Private Limited	35,51,617	35.69%

Name of the Shareholder	As at March 31, 2023	
	No. of shares	% of shareholding
Aura Securities Private Limited	35,51,617	35.89%

Notes to the Financial Statements

Note 11 : Equity share capital (Contd.)

(iv) Shareholding of Promoters

Sr. No.	Name	As at March 31, 2024		
		No. of shares	% of total shares	% change during the year
Promoters				
1	Aura Securities Private Limited	35,51,617	35.69	-
2	Aura Business Ventures LLP	3,33,329	3.35	-
3	Jayshreeben Sanjaybhai Lalbhai	5,023	0.05	-
4	Kulin Sanjaybhai	1,960	0.02	-
5	Sanjaybhai Shrenikbhai Lalbhai	1,370	0.01	(5.91)
6	Punit Sanjaybhai	137	0.00	-
7	Sanjaybhai Shrenikbhai Lalbhai (As a Repretative trustee of Discretionary Trust)	86	0.00	-
Promoter Company				
8	Atul Limited	1,52,869	1.54	-
9	Aagam Holdings Private Limited	97,491	0.98	-
10	Arvind Farms Pvt Ltd	55,189	0.55	-
11	Samvegbhai Arvindbhai (Karta)	7,476	0.08	-
12	Snehal Mohta	7,000	0.07	-
13	Adore Investments Private Limited	6,775	0.07	-
14	Kalpana Shripal Morakhia	4,928	0.05	-
15	Anusandhan Investments Limited	4,259	0.04	-
16	Amardeep Holdings Private Limited	3,490	0.04	-
17	Aayojan Resources Private Ltd	3,370	0.03	-
18	Saumya Samvegbhai Lalbhai	2,863	0.03	-
19	Swati S Lalbhai	2,795	0.03	-
20	Taral S Lalbhai	2,642	0.03	-
21	Sunil Siddharth Lalbhai	2,581	0.03	-
22	Vimla S Lalbhai	2,443	0.02	(5.20)
23	Samvegbhai Arvindbhai Lalbhai	1,766	0.02	31.40
24	Hansa Niranjambhai	588	0.01	(41.78)
25	Adhinami Investments Private Limited	685	0.01	-
26	Badlani Manini Rajiv	264	0.00	-
27	Swati Siddharth Lalbhai (Trustee of Siddharth Family Trust)	134	0.00	-
28	Astha Lalbhai	71	0.00	-
29	Akshita Holdings Private Limited	5	0.00	-
30	Aura Business Enterprise Pvt Ltd	3	0.00	-
31	Aura Merchandise Pvt. Ltd.	3	0.00	-
32	Aura Securities Pvt Ltd	3	0.00	-

Notes to the Financial Statements

Note 11 : Equity share capital (Contd.)

(iv) Shareholding of Promoters

Sr. No.	Name	As at March 31, 2023		
		No. of shares	% of total shares	% change during the year
	Promoters			
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	1,960	0.02	-
5	Sanjaybhai Shrenikbhai Lalbhai	1,456	0.01	-
6	Punit Sanjaybhai	137	0.00	-
	Promoter Company			
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 Niranjambhai	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.

(vi) In the period of five years immediately preceding March 31, 2024:

- 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 and the Company in the year 2018-2019.

- The Company has not allotted any equity shares by way of bonus issue.

- 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..

- Board of Directors of the Company at their meeting held on March 20, 2024 has approved issue of Bonus Equity Shares in the proportion of 1:1 i.e.1 (One) bonus equity share of ₹10/- each for every 1 (One) existing equity share of ₹10/- each fully paid up. The Company has transferred amount pertaining to bonus shares from Securities Premium to share suspense account as the record date for bonus issue is April 23, 2024.

(viii) Objective, policy and procedure of capital management, refer Note 39.

Notes to the Financial Statements

Note 12 : Other Equity

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
(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		
Balance as per last financial statements	18,025.26	17,994.32
Add: Exercise of options - proceeds received	170.43	21.23
Add: Transfer from Share based payment reserve	20.83	9.71
Less: Utilise for issue of fully paid bonus shares	(995.05)	-
Balance at the end of the year	17,221.47	18,025.26
(d) Share based payment reserve (Refer Note 33)		
Balance as per last financial statements	137.41	103.99
Add: Addition during the year (Refer Note 21)	146.46	43.13
Less: Transfer to Securities premium account	(20.83)	(9.71)
Balance at the end of the year	263.04	137.41
(e) Retained earnings		
Balance as per last financial statements	24,572.01	20,210.88
Add: Profit for the year	10,347.50	5,143.00
Less: Dividend paid	(1,485.92)	(790.49)
Add: Other comprehensive loss for the year-Defined benefit plans	(87.02)	8.62
Balance at the end of the year	33,346.57	24,572.01
(f) Share Suspense Account		
Balance as per last financial statements	-	-
Add: Addition during the year (Refer Note 11(vii))	995.05	-
Balance at the end of the year	995.05	-
Other comprehensive income (OCI)		
Items that will be reclassified to statement of profit and loss		
(g) Cash flow hedge reserve		
Balance as per last financial statements	-	-
Recognised in statement of profit and loss	(27.93)	-
Income tax related to above item	7.03	-
Balance at the end of the year	(20.90)	-
(h) Debt Instrument through other comprehensive income		
Balance as per last financial statements	-	-
Recognised in statement of profit and loss	0.78	-
Income tax related to above item	(0.20)	-
Balance at the end of the year	0.58	-
Total Other Equity	51,849.59	42,778.46
Dividend on equity shares paid during the year ended	March 31, 2024	March 31, 2023
Final dividend for the financial year	2022-23	2021-22
Final dividend [₹15.00 (previous year: ₹8.00) per equity share of ₹10.00 each]	1485.92	790.49

Notes to the Financial Statements

Note 12 : Other Equity (contd.)

Note: Board of Directors of the Company have proposed final dividend of ₹15.00 and one-time special dividend of ₹5/- per equity share, totaling to a dividend of ₹20/- per equity share of face value of ₹10/- each. Proposed dividend on equity shares are subject to approval at the Annual General Meeting and hence not recognized as a liability as at March 31, 2024. No interim dividend was declared or paid during the financial year ending March 31, 2024.

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.

f. Share Suspense Account

Board of Directors of the Company at their meeting held on March 20, 2024 has approved issue of Bonus Equity Shares in the proportion of 1:1 i.e. 1 (One) bonus equity share of ₹10/- each for every 1 (One) existing equity share of ₹10/- each fully paid up. The Company has transferred amount pertaining to bonus shares from Securities Premium to share suspense account as the record date for bonus issue is April 23, 2024.

g. Cash flow hedge reserve

The cash flow hedge reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on the changes of the fair value of the designated portion of the hedging instruments that are recognised and accumulated under the cash flow hedge reserve will be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedged item.

h. Debt Instrument through other comprehensive income

The Company has elected to recognise changes in the fair value of certain investment in debt instrument in other comprehensive income. This amount will be reclassified to statement of profit and loss on derecognition of debt instrument.

Note 13 : Financial liabilities

13 (a) Borrowings

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Long-term borrowings		
Term loan (at amortised cost)		
Secured (Refer note (a) below)		
- From Bank	1,927.36	3,434.05
Less: Current Maturities of long-term debt (included in current borrowings)	(547.55)	(431.51)
Less: Interest Accrued (included in current borrowings)	(0.81)	-
	1,379.00	3,002.54
Short-term		
Current maturity of long term borrowings		
Term loan (at amortised cost)		
Secured (Refer note (a) below)		
- From Bank	548.36	431.51
	548.36	431.51
Total	1,927.36	3,434.05

Notes to the Financial Statements

Note 13 : Financial liabilities (contd.)

Notes:

(a) Secured Borrowings

Nature of security:

Term loan of ₹1927.36 Lakhs

- Secured by exclusive charge on movable fixed assets (excluding current assets) present and future of the company located at Kheda, Negative lien on immovable properties during the tenor of facility at Kheda.

- All necessary charges are registered with ROC within the statutory period.

- Utilisation of borrowings availed from banks:

The borrowings obtained by the Company from banks have been applied for the purposes for which such loans were taken.

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	1,927.36	8.75%	Repayable in quarterly 16 equal instalments (Revised on account of prepayment of term loan) amounting ₹ 138.45 Lakhs starting from April 10, 2024.

13 (b) Trade Payables

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Current		
Total outstanding dues of micro enterprises and small enterprises	1,327.98	62.45
Total outstanding dues of creditors other than micro enterprises and small enterprises		
Due to related parties (Refer Note 31)	50.20	94.02
Due to others	4,913.59	6,426.03
Total	6,291.77	6,582.50

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, 2024. 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, 2024	As at March 31, 2023
(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	1327.98	62.45
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.	-	-

Notes to the Financial Statements

Note 13 : Financial liabilities (contd.)

(₹ in Lakhs)

(b) Trade payables ageing Schedule: As at 31 March 2024

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	1,256.84	71.14	-	-	-	1,327.98
Others	4,121.11	842.57	0.11	-	-	4,963.79
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
Unbilled dues	-	-	-	-	-	-
Total	5,377.95	913.71	0.11	-	-	6,291.77

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

13 (c) Other financial liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Current		
Payable to employees		
-Due to related parties (Refer Note 31)	45.00	27.00
-Due to others	622.85	210.42
Deposits from vendors, customers	7.20	8.00
Foreign Currency Derivative Contracts (Cash flow hedge)	27.93	-
Unpaid Dividend*	61.87	42.70
Unpaid Fractional Share amount	96.49	96.65
Total	861.34	384.77

*As on March 31, 2024, there is no amount due and outstanding to be transferred to the Investor Education & Protection Fund (IEPF) (Previous year: Nil).

Notes to the Financial Statements

Note 14 : Provisions

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Long-term		
Provision for employee benefits (Refer Note 30)		
Provision for leave encashment	119.87	-
Provision for Warranty (Refer (i) below)	120.00	-
	239.87	-
Short-term		
Provision for employee benefits (Refer note 30)		
Provision for leave encashment	13.32	-
Provision for Gratuity	50.06	73.89
Provision for Warranty (Refer (i) below)	80.00	-
	143.38	73.89
Total	383.25	73.89

- (i) The Company provides standard warranty to all its customers for any manufacturing defects in the equipment supplied by the Company. Generally, warranty is linked to the assurance given by the Company towards performance of the equipment under normal operation. Based on evaluation made by Company's technical team of equipment supplied and assurance given by company for such equipment, and the Company's historic experience of claims, the Company has provided for warranty for the year and same will be carried forward till completion of given assurance.

Movement in Provision for Warranty

Particulars	As at March 31, 2024	As at March 31, 2023
Balance as per last financial statements		-
Add: Provision made during the year (Refer Note 24)	200.00	-
Less: Utilised during the year	-	-
Total Provision for Warranty	200.00	-

Note 15 : Other current liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Contract liability		
Advance from Customers		
-From related parties (Refer Note 31)	-	2.48
-From others	15,112.81	7,205.38
Others		
Statutory dues (Provident fund, ESI and tax deducted at source etc.)	339.16	89.21
Other liabilities	-	0.33
Total	15,451.97	7,297.40

Note 16 : Current Tax Liabilities (Net)

Particulars	As at March 31, 2024	As at March 31, 2023
Current tax liabilities (Net of advance tax)	1,737.22	1,540.99
Total	1,737.22	1,540.99

Notes to the Financial Statements

(₹ in Lakhs)

Note 17 : Revenue from operations

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Sale of products	53,943.65	40,314.54
Sale of services	93.42	90.66
	54,037.07	40,405.20
Other Operating income		
Waste sale	570.09	645.57
Export incentives	180.85	51.29
Foreign exchange fluctuation on vendors and customers	250.44	31.75
	1,001.38	728.61
Total	55,038.45	41,133.81

Disaggregation of Revenue from contracts with customers**Revenue based on Geography**

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Domestic	32,561.05	33,269.07
Export	22,477.40	7,864.74
Revenue from Operations	55,038.45	41,133.81

Revenue based on business segment

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Engineering Products	55,038.45	41,133.81
Revenue from Operations	55,038.45	41,133.81

Reconciliation of revenue from operation with contract price

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Revenue from contract with customers as per the contract price	55,038.45	41,133.81
Adjustment made to contract price on account of:		
Less: Sales Return	-	-
Revenue from Operations	55,038.45	41,133.81

Contract balances

The following table provides information about receivables, contract assets and contract liabilities from the contracts with customers.

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables (Refer Note 7 (b))	12,724.06	14,856.22
Contract liabilities (Refer Note 15)		
Advance from customers	15,112.81	7,207.86

Notes to the Financial Statements

(₹ in Lakhs)

Note 18 : Other income

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Interest income on financial assets		
Fixed Deposits	42.04	89.21
Advances	1.43	4.62
Bonds	140.95	-
Gain on sale of Current Investment- Mutual Funds		
Realized	289.48	-
Unrealized	164.86	-
Other non-operating income		
Interest on Income Tax Refund	122.88	1.48
Sundry Credit balances appropriated	-	7.64
Profit on sale of Property, Plant & Equipment (Net)	12.28	-
Provision for doubtful advance no longer required (Refer Note 8)	5.85	3.31
Provision for doubtful receivable no longer required (Refer Note 7(b))	-	17.95
Foreign Exchange Gain	2.02	-
Miscellaneous income	124.58	-
Total	906.37	124.21

Note 19 : Cost of raw materials consumed

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Inventory at the beginning of the year	4,723.89	2,300.17
Add : Purchases during the year	32,341.75	25,744.52
	37,065.64	28,044.69
Less : Inventory at the end of the year	9,899.18	4,723.89
Total	27,166.47	23,320.80

Note 20 :Changes in inventories of finished goods and work-in-progress

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Inventories at the end of the year		
Waste	3.90	2.18
Work-in-Progress	6,319.62	7,652.90
	6,323.52	7,655.08
Inventories at the beginning of the year		
Waste	2.18	13.03
Work-in-Progress	7,652.90	6,504.37
	7,655.08	6,517.40
(Increase) / Decrease in Inventories	1,331.56	(1,137.68)
Total	1,331.56	(1,137.68)

Notes to the Financial Statements

(₹ in Lakhs)

Note 21 : Employee benefits expense

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Salaries, Wages, Gratuity, Bonus and Commission (Refer Note 30)	2,648.00	1,784.14
Contribution to provident and other funds (Refer Note 30)	220.88	145.03
Staff welfare and training expenses	80.77	73.39
Share based payment to employees (Refer Note 33)	146.46	43.13
Total	3,096.11	2,045.69

Note 22 : Finance costs

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Interest expense on Financial Liabilities		
Term loan	167.75	-
Interest on lease liability (Refer Note 34)	2.51	-
Others	6.52	8.12
Interest on shortfall in payment of advance tax	-	0.23
Other borrowing cost	40.66	132.48
Total	217.44	140.83

Note: The capitalisation rate used to determine the amount of borrowing costs to be capitalised is the interest rate applicable to the entity's specific borrowings during the year - 8.75% (Previous Year - 8.75%).

Note 23 : Depreciation and amortization expense

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Depreciation on Property, Plant and Equipments (Refer Note 5)	1,355.34	875.97
Amortisation of Leasehold Land (Refer Note 5)	17.22	17.22
Amortisation of Right of Use assets (Refer Note 5)	9.03	-
Amortization of Intangible assets (Refer Note 6)	364.81	360.86
Total	1,746.40	1,254.05

Notes to the Financial Statements

Note 24 : Other expenses

(₹ in Lakhs)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Power and fuel	696.17	356.51
Stores and spares consumed	1,172.67	670.85
Labour and Job Work Charges	3,693.89	3,422.22
Labour welfare expenses	84.80	50.09
Lease rent for short term lease (Refer Note 34)	48.97	12.06
Royalty	1,455.43	1,912.26
Insurance	117.51	72.77
Printing, stationery and communication	56.25	42.61
Commission, Brokerage and Discount	30.62	72.68
Rates and taxes	68.93	8.05
Repairs and maintenance		
Building	41.74	16.81
Machineries	256.14	308.41
Others	96.05	98.95
Freight, insurance and clearing charge	442.07	452.96
Inspection Fees	231.00	132.65
Advertisement and publicity	57.18	13.54
Retainer expenses	72.63	77.02
Legal and Professional charges	252.98	52.43
Expenditure under Corporate social responsibility Activity (Refer Note 35)	133.43	127.00
Conveyance and Travelling expenses	91.83	47.44
Director's sitting fees	22.50	5.70
Director's commission	45.00	27.00
Liquidated damages	403.53	183.59
Provision for Warranty	200.00	-
Allowance for doubtful debts (Refer Note 7(b))	260.23	-
Sundry Debit balances appropriated	23.86	-
Loss On Forward Contract (Exports)	1.59	-
Loss on sale of Property, Plant & Equipment	-	3.83
Property, Plant & Equipment written off	-	7.71
Amalgamation/Merger expenses	8.73	-
Payment to auditors (refer note (i) below)	21.89	21.60
Bank charges	155.54	115.52
Security expenses	99.63	43.47
Housekeeping expenses	47.03	5.35
Miscellaneous expenses (refer note (ii) below)	379.43	273.43
Total	10,769.25	8,634.51

(i) Break up of Auditor's remuneration

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Payment to Auditors as		
Auditors	10.39	9.80
For tax audit	1.64	1.55
For Other Services	8.61	9.07
For reimbursement of expenses	1.25	1.18
Total	21.89	21.60

(ii) The Company has made a contribution to an electoral trust of ₹200 Lakhs for the year ended March 31, 2024 and ₹200 Lakhs to Political Party for the year ended March 31, 2023 which is included in Miscellaneous expenses.

Notes to the Financial Statements

(₹ in Lakhs)

Note 25 : Income tax

The major component of income tax expense for the years ended March 31, 2024 and March 31, 2023 are as follows:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Statement of Profit and Loss		
Current income tax	2,650.00	1,815.00
Excess Provision for earlier year	(1,451.15)	-
Deferred tax expense/(credit)	71.24	41.82
Income tax expense in the Statement of Profit and Loss	1,270.09	1,856.82
Statement of Other comprehensive income (OCI)		
Deferred tax expense/(credit)	(36.10)	2.90
Income tax expense/(credit) recognised in OCI	(36.10)	2.90

Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate for the year ended March 31, 2024 and March 31, 2023.

A. Current tax

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Accounting profit before tax	11,617.59	6,999.82
Tax Rate	25.168%	25.170%
Current tax expenses on Profit before tax expenses at the enacted income tax rate in India	2,923.92	1,761.85
Adjustment		
On account of revaluation of tax base of non-depreciable assets (due to indexation benefit)	(44.50)	(36.64)
Expenditure not deductible for tax/not liable to tax	86.12	82.42
Income subjected to different tax rate	(12.63)	-
Expenditure deductible for tax	(266.01)	-
(Excess)/Short Provision for earlier year	(1,451.15)	-
Other Adjustment	34.35	49.19
Total income tax expense	1,270.09	1,856.82
Effective tax rate	10.93%	26.53%

Notes to the Financial Statements

(₹ in Lakhs)

Note 25 : Income tax (contd.)

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, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Accelerated depreciation for tax purposes	(1,199.89)	(1,002.48)	197.41	9.50
Impact of fair valuation of Land	(234.73)	(279.23)	(44.50)	(36.64)
Expenditure allowable on payment basis	60.56	16.21	(44.35)	8.22
Expenditure allowable over the period (Section 35D)	1.76	-	(1.76)	3.08
Others	127.38	55.72	(71.66)	60.56
Deferred tax expense/(income)			35.14	44.72
Net deferred tax liabilities	(1,244.92)	(1,209.78)		
Reflected in the balance sheet as follows				
Deferred tax liabilities	(1,434.62)	(1,281.71)		
Deferred tax assets	189.70	71.93		
Deferred tax liabilities (net)	(1,244.92)	(1,209.78)		

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, 2024	As at March 31, 2023
Contingent liabilities not provided for		
(i) Guarantees given by banks on behalf of the Company	34,423.49	19,311.69
(ii) 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)	44.20	113.20

Notes :

- 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.
- The Company does not expect any reimbursements in respect of the above contingent liabilities.
- 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, 2024	As at March 31, 2023
(a) Capital commitments		
(i) Property, Plant & Equipments	2,021.14	2,022.35
(ii) Intangible Assets	19.19	
(b) Other commitments	-	-

Notes to the 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.

Cash Flow Hedges

"The Company also enters into forward exchange contracts for hedging highly probable forecast transaction and account for them as cash flow hedges and states them at fair value. Subsequent changes in fair value are recognized in equity until the hedged transaction occurs, at which time, the respective gain or losses are reclassified to the statement of profit or loss. These hedges have been effective for the year ended March 31, 2024.

The Company uses foreign exchange contracts from time to time to optimize currency risk exposure on its foreign currency transactions. The cash flow hedges are taken out by the Company during the year for hedging the foreign exchange rate of highly probable forecast transactions.

The cash flows related to above are expected to occur during the year ended March 31, 2025 and consequently may impact the statement of profit or loss for that year depending upon the change in the foreign exchange rates movements.

As at March 31, 2024

Forward sales contracts	Average Exchange rate ₹	Amount in FC (In lakhs)	Nominal Amount (₹ in lakhs)	MTM value (₹ in lakhs)
Maturing less than 3 months	83.47	130.37	10,881.82	(8.70)
Maturing between 3 to 6 months	83.57	70.00	5,850.13	(17.08)
Maturing between 6 to 9 months	84.01	20.00	1,680.22	(2.15)
Maturing between 9 to 12 months	-	-	-	-
Maturing after 12 months	-	-	-	-
Total		220.37	18,412.17	(27.93)

Exposure Not Hedged

Nature of exposure	Currency	As at March 31, 2024		As at March 31, 2023	
		Foreign Currency	₹ in Lakhs	Foreign Currency	₹ in Lakhs
Receivables	USD	81,77,382	6,820.35	14,17,417.58	1,164.69
	EURO	60,000	53.93	-	-
Payable to creditors	USD	33,688	28.10	1,51,877.00	124.80
	EURO	12,701	11.42	21,197.40	18.96

Notes to the Financial Statements

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 Segments:

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 March 31, 2024	For the Year Ended March 31, 2023
Segment Revenue*		
(a) In India	32,561.05	33,269.07
(b) Rest of the world	22,477.40	7,864.74
Total	55,038.45	41,133.81
Carrying Cost of Segment Non Current Assets#	As at March 31, 2024	As at March 31, 2023
(a) In India	33,260.06	30,609.87
(b) Rest of the world	-	-
Total	33,260.06	30,609.87

* Based on location of Customers

Other than financial assets.

(c) Information about major customers:

Considering the nature of business of Company in which it operates, the Company deals with various external customers including multiple geographics. Company's revenue from sales exceeding 10% is from three (3) of its customers and its aggregate value is ₹18,874.73 Lakhs (March 31, 2023 : two (2) customers, ₹16,760.58 Lakhs).

(d) The company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown in the table below :

Revenue from external customers	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
Japan	6,708.71	-
Canada	5,723.27	-
India	5,299.51	4,018.40
USA	1,565.89	3,029.22
All other countries	3,180.02	817.12
Total	22,477.40	7,864.74

Notes to the Financial Statements

Note 30 : Disclosure pursuant to Employee benefits

A. Defined contribution plans:

Amount of ₹98.71 lakhs (Previous Year: ₹87.17 lakhs) is recognised as expenses and included in Note No. 21 "Employee benefits expense".

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2024	Fro the Year Ended March 31, 2023
Contribution to Provident Fund [Note (a)]	63.40	57.01
Contribution to Pension [Note (a)]	30.21	26.88
Contribution to Employees' State Insurance [note (b)]	5.10	3.28
Total	98.71	87.17

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:

(a) 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.

Risks associated to the defined benefit plans:

- Interest rate risk:** A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.
- Salary Risk:** The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.
- Investment Risk:** The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.
- Asset Liability Matching Risk:** The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.
- Mortality risk:** Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.
- Concentration Risk:** Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very low as insurance companies have to follow stringent regulatory guidelines.

Notes to the Financial Statements

Note 30 : Disclosure pursuant to Employee benefits (contd.)

Changes in defined benefit obligation and plan assets for the year ended March 31, 2024:

(₹ in Lakhs)

Particulars	As at April 1, 2023	Charged to statement of profit and loss		Benefit paid	Remeasurement gains/(losses) in other comprehensive income				Contributions by employer	As at March 31, 2024
		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 demographic assumptions	Actuarial changes arising from changes in experience financial adjustments	Sub-total included in OCI		
Gratuity										
Defined benefit obligation	156.38	27.50	11.76	39.26	-	-	(52.26)	(116.61)	-	271.11
Fair value of plan assets	(102.49)	-	(7.71)	(7.71)	0.32	-	-	0.32	(151.67)	(221.05)
Net Benefit liability/(asset)	53.89	27.50	4.05	31.55	0.32	-	(52.26)	(116.29)	(151.67)	50.06

Changes in defined benefit obligation and plan assets for the year ended March 31, 2023:

Particulars	As at April 1, 2022	Charged to statement of profit and loss		Benefit paid	Remeasurement gains/(losses) in other comprehensive income				Contributions 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 demographic assumptions	Actuarial changes arising from changes in experience financial adjustments	Sub-total included in OCI		
Gratuity										
Defined benefit obligation	145.68	22.24	10.43	32.67	-	-	4.29	13.97	-	156.38
Fair value of plan assets	(61.71)	-	(4.36)	(4.36)	(2.45)	-	-	(2.45)	(46.87)	(102.49)
Net Benefit liability/(asset)	83.97	22.24	6.07	28.31	(2.45)	-	4.29	11.52	(46.87)	53.89

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, 2024	March 31, 2023
(%) of total plan assets	(%) of total plan assets	
	100.00%	100.00%
(%) of total plan assets	100.00%	100.00%

Notes to the Financial Statements

Note 30 : Disclosure pursuant to Employee benefits (contd.)

The principal assumptions used in determining above defined benefit obligations plans are shown below:

Particulars	As at March 31, 2024	As at As at March 31, 2023
Discount rate	7.22%	7.52%
Future salary increase	10.00%	8.00%
Expected rate of return on plan assets	7.22%	7.52%
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)	
		As at March 31, 2024	As at March 31, 2023
Gratuity			
Discount rate	1% increase	(25.07)	(13.44)
	1% decrease	29.30	15.64
Salary increase	1% increase	28.21	14.14
	1% decrease	(24.67)	(12.69)
Attrition rate	1% increase	(6.06)	(0.80)
	1% decrease	6.79	0.83

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, 2024	As at March 31, 2023
Gratuity		
Within the next 12 months	23.08	16.27
Between 2 to 5 years	51.64	35.66
Beyond 5 years	582.98	321.25
Total expected payments	657.70	373.18

Notes to the Financial Statements

(₹ in Lakhs)

Note 30 : Disclosure pursuant to Employee benefits (contd.)

Weighted average duration of defined plan obligation (based on discounted cash flows)

Particulars	As at March 31, 2024 In Years	As at March 31, 2023 In Years
Gratuity	12	11

Prescribed contribution for next year - ₹68.76 Lakhs (Previous year ₹56.28 Lakhs)

(b) Other Long term employee benefit plans:

Leave encashment (Unfunded)

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 Company has recognised ₹56.93 Lakhs as expenses (Previous Year: Income of ₹11.16 Lakhs) 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
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Notes to the Financial Statements

Note 31 : Disclosure of Related Party Transactions in accordance with Ind AS 24 - Related Party Disclosures (contd.)

(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	
	For the Year Ended		For the Year Ended		For the Year Ended	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
(I) Transactions during the year						
Remuneration	309.64	301.50	-	-	-	-
Sitting Fees	22.50	5.70	-	-	-	-
Commission	45.00	27.00	-	-	-	-
Goods purchased	-	-	382.17	-	-	-
Sale of goods	-	-	5.04	2.11	-	-
Services rendered	-	-	252.62	103.31	-	-
Reimbursement of expenses	-	-	-	-	6.37	9.93
Contribution Paid	-	-	-	-	153.41	-
(II) Balances as at	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Trade and Other Payable	-	-	50.20	94.02	-	-
Other Financial Liability	45.00	27.00	-	-	-	-
Other Current Liability	-	-	-	2.48	-	-
Trade and Other Receivable	-	-	0.42	-	-	-
Other Current Asset	-	-	-	-	48.22	41.85

(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 re unsecured and interest free and settlement occurs in cash.

(d) Commitments with related parties

The Company has not provided any commitment to the related party as at March 31, 2024 (March 31, 2023: Nil)

(e) Transactions with key management personnel

Compensation of key management personnel of the Company

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Short-term employee benefits	299.70	287.67
Termination benefits	9.94	13.83
Commission to directors	45.00	27.00
Total compensation paid to key management personnel	354.64	328.50

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 Financial Statements

Note 32 : Earning per share

Particulars		Year Ended March 31, 2024	Year Ended March 31, 2023
Earning per share			
Profit attributable to ordinary equity holders	₹ in Lakhs	10,347.50	5,143.00
Weighted average number of equity shares for basic EPS (a)	No.	1,98,22,594	1,97,75,862
Effect of potential Ordinary shares on Employee Stock Options outstanding (b)	No.	1,34,182	1,28,468
Weighted average number of Ordinary shares in computing diluted earnings per share (a) + (b)	No.	1,99,56,776	1,99,04,330
Nominal value of equity shares	₹	10.00	10.00
Basic earning per share	₹	52.20	26.01
Diluted earning per share	₹	51.85	25.84

(i) Board of Directors of the Company at their meeting held on March 20, 2024 has approved issue of Bonus Equity Shares in the proportion of 1:1 i.e.1 (One) bonus equity share of ₹10/- each for every 1 (One) existing equity share of ₹10/- each fully paid up. Earnings per share for the year and for the previous periods have been calculated/restated considering the above bonus issue.

Note 33 : Share based payments

- A.** 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, 7th August 2019 and 17th May 2023 respectively. Under ESOP 2018, ESOS DEMERGER 2018 and Anup - ESOS 2019, the Company has issued 87,500; 58,371; 57,500 and 30,000 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		Anup ESOS 2019		ESOS 2018	ESOS DEMERGER 2018
Date of grant	17-May-23		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	5 years from the date of grant
Number of options granted	15000	15000	20000	30000	7500	-	-	-
Exercise price per option	1253.6	10	929.95	464.40	10	-	-	-
Vesting schedule	25% Vesting on 31-May-24, 31-May-25, 31-May-26 and 31-May-27 each	25% Vesting on 31-May-24, 31-May-25, 31-May-26 and 31-May-27 each	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	58,371 options vested	
Vesting requirements	Based on passage of time, continued employment and achievement of vesting conditions		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.	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	Equity	

Notes to the Financial Statements

Note 33 :Share based payments (contd.)

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, 2024					
	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	22,500	151.43	33,333	385.29
Vested but not exercised at the beginning of the year	-	-	-	-	-	-
Granted during the year	15,000	10.00	-	-	-	-
Granted during the year	15,000	1,253.60	-	-	-	-
Forfeited during the year	-	-	-	-	-	-
Exercised during the year	5,000	464.40	16,000	151.43	33,333	385.29
Expired during the year	-	-	-	-	-	-
Outstanding at the end of the year	82,500	596.82	6,500	151.43	-	-
Exercisable at the end of the year	35,000	597.41	6,500	151.43	-	-

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

C. Share Options Exercised during the year ended March 31, 2024

Option Series	No. of Options	Exercise Date	Weighted Average Share Price at Exercise Date
ESOS 2018	10,000	18-Apr-23	151.43
ESOS 2019	5,000	16-Aug-23	464.40
ESOS 2018	3,000	15-Feb-24	151.43
ESOS 2018 Demerger	10,000	29-Feb-24	385.29
ESOS 2018	3,000	14-Mar-24	151.43
ESOS 2018 Demerger	23,333	15-Mar-24	385.29

Notes to the Financial Statements

Note 33 :Share based payments (contd.)

Share Options Exercised during the year ended March 31, 2023

Option Series	No. of Options	Exercise Date	Weighted Average Share Price at Exercise Date
ESOS 2018	15,000	18-oct-22	151.43

D. Share Options Outstanding at the end of the year:

Particulars	Anup - ESOS 2019	ESOS 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 ₹1253.6 Weighted average remaining contractual life range – 3.16 years to 8.17 years	Exercise price range – ₹151.43 Weighted average remaining contractual life – 2.00 years

E. Significant Assumptions of Valuation on New Grant

Description of the method and significant assumptions used during the year to estimate the fair values of options, including weighted average information, namely

Particulars	Option for 15000	Option for 15000
(i) Risk-free interest rate,	6.88%	6.88%
(ii) Expected life,	2.37 years	2.37 years
(iii) Expected volatility,	43.27%	43.27%
(iv) Expected dividends,	1.16%	1.16%
(v) Fair Value of the underlying share at the time of grant of the option.	432.72	1261.05

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:

(₹in Lakhs)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Share Based Payment to Employees	146.46	43.13

Note 34 : Leases

A. The Company has taken building on lease period of 3 years and 9 years with option of renewal. Disclosures as per Ind AS 116 - Leases are as follows:

B. Changes in the carrying value of right of use assets (Building)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Balance at the beginning of the period	-	-
Additions	107.57	-
Deletions	-	-
Depreciation	(9.03)	-
Balance at the end of the period	98.54	-

Notes to the Financial Statements

(₹ in Lakhs)

Note 34 : Leases (contd.)**C. Movement in lease liabilities**

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Balance at the beginning of the period	-	-
Additions	107.57	-
Deletions	-	-
Finance cost accrued during the period	2.51	-
Payment of lease liabilities	(9.47)	-
Balance at the end of the period	100.61	-
Current	16.48	-
Non-current	84.13	-
Total	100.61	-

D. Contractual maturities of lease liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Less than one year	16.48	-
One to five years	44.92	-
More than five years	39.21	-
Total	100.61	-

E. Amount recognised in statement of profit and loss

Particulars	Note	Year Ended March 31, 2024	Year Ended March 31, 2023
Depreciation charge of right-of-use assets			
-Building	23	9.03	-
Interest Expense (included in finance costs)	22	2.51	-
Expense relating to short-term leases (included in other expenses)	24	48.97	12.06
Total		60.51	12.06

- F.** The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Notes to the Financial Statements

(₹ in Lakhs)

Note 35: Disclosure in respect of Corporate Social Responsibility (CSR) Activities

Particulars	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
a) Gross amount required to be spent by the Company during the year	133.42	126.74
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	133.43	127.00
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, 2024				As at March 31, 2023			
	Fair value through Other Comprehensive Income (FVTOCI)	Fair value through Profit and Loss (FVTPL)	Amor-tised cost	Total	Fair value through Other Comprehensive Income (FVTOCI)	Fair value through Profit and Loss (FVTPL)	Amor-tised cost	Total
Investments	4,957.18	5,429.06	-	10,386.24	-	-	-	-
Trade receivables	-	-	12724.06	12,724.06	-	-	14,856.22	14,856.22
Cash and cash equivalents	-	-	1,774.75	1,774.75	-	-	3,108.78	3,108.78
Other bank balances	-	-	352.73	352.73	-	-	150.82	150.82
Other financial assets	-	-	1,274.29	1,274.29	-	-	281.38	281.38
Total Financial Assets	4,957.18	5,429.06	16,125.83	26,512.07	-	-	18,397.20	18,397.20

(ii) Financial liabilities by category

Particulars	As at March 31, 2024				As at March 31, 2023			
	Fair value through Other Comprehensive Income (FVTOCI)	Fair value through Profit and Loss (FVTPL)	Amor-tised cost	Total	Fair value through Other Comprehensive Income (FVTOCI)	Fair value through Profit and Loss (FVTPL)	Amor-tised cost	Total
Borrowings	-	-	1,927.36	1,927.36	-	-	3,434.05	3,434.05
Lease Liabilities	-	-	100.61	100.61	-	-	-	-
Trade payable	-	-	6,291.77	6,291.77	-	-	6,582.50	6,582.50
Other Financial Liabilities	-	-	833.41	833.41	-	-	384.77	384.77
Derivative Financial Liabilities	-	27.93	-	27.93	-	-	-	-
Total Financial Liabilities	-	27.93	9,153.15	9,181.08	-	-	10,401.32	10,401.32

Notes to the 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.

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.

Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for financial assets as at March 31, 2024 and March 31, 2023

Particulars	Fair value measurement using			
	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
As at March 31, 2024				
Financial Assets				
Current Investments				
Investments in mutual funds	5,429.06	5,429.06	-	-
Investments in bonds	4,957.18	4,957.18	-	-
Financial liabilities				
Derivatives	27.93	-	27.93	-
As at March 31, 2023				
Financial Assets	-	-	-	-
Financial liabilities	-	-	-	-

Fair value hierarchy

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3. There are no transfer between level 1, 2 and 3 during the year.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

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.

Notes to the Financial Statements

Note 38 : Financial instruments risk management objectives and policies (contd.)

(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.

Futures 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, 2024 and March 31, 2023, 100% of the Company's borrowings are at fixed rate of interest.

(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	in EURO rate
March 31, 2024	+1%	67.92	0.43
	-1%	(67.92)	(0.43)
March 31, 2023	+1%	10.40	(0.19)
	-1%	(10.40)	0.19

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.

Notes to the Financial Statements

Note 38 : Financial instruments risk management objectives and policies (contd.)

(a3) Price Risk

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet either as fair value through OCI or at fair value through profit or loss.

To manage its price risk arising from investments in equity securities, the company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company. 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.

(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, 3 customer contribute to more than 10% of outstanding accounts receivable as of March 31, 2024 (2 customers contribute to more than 10% of outstanding accounts receivable as of March 31, 2023).

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.

(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. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, the company's treasury maintains flexibility in funding by maintaining availability under committed credit lines.

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. Management monitors rolling forecasts of the company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in the operating companies of the company in accordance with practice and limits set by the company. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

The Company requires funds both for short-term operational needs as well as for long-term investment programmes mainly in growth projects.

Notes to the Financial Statements

Note 38 : Financial instruments risk management objectives and policies (contd.)

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

As at March 31, 2024

(₹ in Lakhs)

Particulars	< 1 year	>1 year but < 5 years	more than 5 years	Total
Non-Derivatives				
Borrowings	553.80	1,384.51	-	1,938.31
Lease Liabilities	24.55	64.29	46.61	135.45
Trade payables	6,291.77	-	-	6,291.77
Other financial liabilities	833.41	-	-	833.41
Total Non-Derivative Liabilities	7,703.53	1,448.80	46.61	9,198.94
Derivatives				
Foreign Currency Derivative Contracts (Cash flow hedge)	27.93	-	-	27.93
Total Derivative Liabilities	27.93	-	-	27.93

As at March 31, 2023

(₹ in Lakhs)

Particulars	< 1 year	>1 year but < 5 years	more than 5 years	Total
Non-Derivatives				
Borrowings	562.62	3,938.32	-	4,500.94
Trade payables	6,582.50	-	-	6,582.50
Other financial liabilities	384.77	-	-	384.77
Total Non-Derivative Liabilities	6,967.27	-	-	6,967.27

(d) Commodity risk

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.

Notes to the Financial Statements

Note 39 : Capital management

Risk 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, 2024	As at March 31, 2023
Borrowings	1,927.36	3,434.05
Total Equity (Refer note 11 & 12)	52,844.64	43,768.08
Debt to total equity (times)	0.04	0.08

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 : 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 41 : New Accounting Pronouncements to be adopted on or after March 31, 2024

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

Note 42 : Other regulatory information required by Schedule III

a. Utilisation of borrowed funds and share premium

During the year ended March 31, 2024 and March 31, 2023, 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:

- 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 to or on behalf of the ultimate beneficiaries.

Further, during the year ended March 31, 2024 and March 31, 2023, 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:

- 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.

Notes to the Financial Statements

Note 42 : Other regulatory information required by Schedule III (contd.)

b. Details of crypto currency or virtual currency

The Company has not invested or traded in Crypto Currency or Virtual Currency during the year ended March 31, 2024 (Previous year: Nil).

c. Details of benami property held

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, 2024 (Previous year: Nil).

d. Willful Defaulter

The Company has not been declared Willful Defaulter by any bank or financial institution or government or any government authority during the year ended March 31, 2024 (Previous year: Nil).

e. Undisclosed Income

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, 2024 (Previous year: Nil).

f. Relationship with struck off companies

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, 2024 (Previous year: Nil).

g. Compliance with number of layers of companies

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.

h. Compliance with approved Scheme(s) of Arrangements

The Company has entered into an scheme of arrangement as disclosed in note 43. The accounting effect of such scheme has been accounted for in the books of account of the Company in accordance with "the Scheme" and Ind AS.

i. Valuation of property, plant and equipments, right-of-use assets and intangible asset

The Company has not revalued its property, plant and equipments, right-of-use assets and intangible asset during the current or previous year.

Note 43 : Business Combinations

- (1) A Scheme of Arrangement ("the Scheme") in the nature of amalgamation of Anup Heavy Engineering Limited (AHEL), a subsidiary entity of the Company with the Company, under sections 230 to 232 of the Companies Act, 2013 which has been sanctioned by National Company Law Tribunal at Ahmedabad on November 23, 2023. The Scheme has become effective from the appointed date April 01, 2022.

AHEL, wholly owned subsidiary of the Company was engaged in business of fabrication and manufacturing of Machinery and process equipment.

The above merger has been accounted for in accordance with accounting treatment stated in the scheme as summarised below:

- (a) Upon scheme being effective, the assets and liabilities of AHEL shall be recorded in the books of the Company at their respective carrying values on appointed as per the Pooling of Interest method as laid down by Appendix C of Ind AS 103 (Business Combinations of Entities under common Control) notified under the Provisions of the Companies Act 2013 read with relevant rules framed thereunder and other applicable accounting standards prescribed under the Act.
- (b) No new shares will be issued and the investments held in these companies by the Company stand cancelled and any difference should be adjusted against retained earnings.

These Ind AS financial statements of the Company is approved by shareholders in its annual general meeting held on August 5, 2023. Subsequently, to give the effect of the scheme on account of amalgamation of the subsidiary with the Company in accordance with Ind AS 103, Ind AS financial statements of the Company for the year ended March 31, 2023 and comparative Ind AS financial statements are restated.

Notes to the Financial Statements

Note 43 : Business Combinations (contd.)

Identifiable assets and liabilities arising on appointment date:		(₹ in Lakhs)
Particulars	As at April 01, 2022	
Non-current assets		
(a) Capital work-in-progress		1,914.64
(b) Other financial assets		0.30
(c) Other current assets		222.84
Current assets		
(a) Cash and cash equivalents		3.06
(b) Other current assets		25.13
(c) Current tax assets (net)		0.25
Total Assets Acquired (A)		2,166.22
Current liabilities		
(a) Trade payables		142.30
(b) Other current liabilities		2.74
Total Liabilities taken over (B)		145.04
Net Equity		2,021.18
Amount pertaining to AHEL appearing in the Financial Statements		
Investment		2,016.00

- (2) The Company has entered into definitive share purchase agreement to acquire 100% equity shares of Mabel Engineering Private Limited ("Mabel") for expansion of product portfolio, capacity expansion and geographical spread for a consideration of ₹3,300 Lakhs. Mabel is engaged in the business of Engineering, fabrication, supply and erection and delivering solutions for pressure vessels, reactors, storage tanks, silos, heat exchangers, heavy structural components, chimneys and piping systems. However, pending statutory and other formalities as at the year end, there is no financial impact for the year ended March 31, 2024.

Notes to the Financial Statements

Note 44 : Financial Ratios

Sr.	Type of Ratio	Numerator	Denominator	2023-24	2022-23	Variance (in %)	Remarks for variance more than 25%
1	Current Ratio (In times)	Current Assets	Current Liabilities	1.86	2.05	(9.44%)	Not Applicable
2	Debt-Equity Ratio (In times)	Total Debt	Total Equity	0.04	0.08	(53.52%)	Repayment of
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	7.28	805.63	(99.10%)	Increase in interest cost due to borrowing as said interest pertaining to capex was capitalised in year 2022-23
4	Return on Equity Ratio (%)	Net Profit after Tax	Average Total Equity	21.42%	12.38%	73.07%	Increase in net profit
5	Inventory turnover Ratio (In times)	Revenue from operations	Average Inventories	3.77	3.79	(0.58%)	Not Applicable
6	Trade Receivables turnover Ratio (In times)	Revenue from operations	Average Trade Receivables	3.99	3.01	32.62%	Increase in turnover and reduced receivable
7	Trade Payables turnover Ratio (In times)	Total purchases	Average Trade Payables	6.17	5.81	6.16%	Not Applicable
8	Net capital turnover Ratio (In times)	Revenue from operations	Working Capital	2.57	2.40	6.83%	Not Applicable
9	Net profit Ratio (%)	Net Profit after Tax	Revenue from operations	18.80%	12.50%	50.37%	Increase 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/ (Assets)	21.13%	14.75%	43.24%	Increase in net profit
11	Return on investment (%)	Refer (a) below		216.79%	26.26%	725.55%	Impact of market dynamics

Note (a) : Return on Investment

$$\frac{(MV(T_1) - MV(T_0) - \sum [C(t)])}{(MV(T_0) + \sum [W(t) * C(t)])}$$

Where,

T₁ = End of time period

T₀ = Begning of time period

t = Specific date falling between T₁ and T₀

MV(T₁) = Market Value at T₁

MV(T₀) = Market Value at T₀

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

Notes to the Financial Statements

Note 45 : Events occurring 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 04, 2024, 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 financials of the Company as at March 31, 2024.

The Anup Advantages

Expertise

- Full range of engineering services: Thermal, Mechanical, FEA, CFD, 3 D Modelling
- Technology Products such as Helixchanger, Embaffle, Polymerization Reactor

Efficient

- Unparalleled Delivery Record
- Versatile and Flexible: Offer equipment from 10 MT to 800 MT weight
- Managing Large Project

Excellence

- More than 62 years of experience in fabrication of different type of Static Process Equipment
- With Wide Range of metallurgies

Experience

- Supplied Equipment in more than 34 Countries across All continents
- In Compliance with Global Construct , vion codes

OUR ESTABLISHED CAPACITY

ODHAV



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THE ANUP ENGINEERING LIMITED

CIN: L29306GJ2017PLC099085

Regd. Office: Behind 66 KV Elec. Sub-Station, Odhav Road, Ahmedabad - 382415, Gujarat, India