

**M & B ENGINEERING LIMITED**  
**[CIN: U45200GJ1981PLC004437]**

Notice is hereby given that the 43<sup>rd</sup> Annual General Meeting of the Shareholders of M & B Engineering Limited (the "Company") will be held at the Registered Office of the Company on Tuesday, 15<sup>th</sup> July, 2025 at 9:30 AM to transact, with or without modifications as may be permissible, the following business:

**ORDINARY BUSINESS:**

1. To consider and adopt Audited Financial Statements (Standalone & Consolidated) of the Company for the financial year ended 31<sup>st</sup> March, 2025 the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Vipinbhai Kantilal Patel (DIN: 00260734), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offers himself for re-appointment.

**SPECIAL BUSINESSES:**

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

**"RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s. Prutha Shah & Co., Cost Accountants, Ahmedabad (Firm Registration No. 102498), appointed as Cost Auditors by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the Financial Year 2025-26, be paid a remuneration of Rs. 3,00,000/- (Rupees Three Lakh) plus taxes and reimbursement of out of pocket expenses incurred by them in connection with the aforesaid audit"

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary to give effect to this resolution."

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

**"RESOLVED THAT** pursuant to Section 204 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), other applicable laws/statutory provisions, if any, as amended from time to time, (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force), and in accordance with the recommendation of Audit Committee and the Board of Directors of the Company, M/s. Kashyap R. Mehta & Partners, Company Secretaries, Ahmedabad (FRN: P2025GJ106000) (Peer Review Number: 6827/2025) be and are hereby appointed as Secretarial Auditors of the Company for term of five consecutive financial years commencing from financial year 2025-26 till financial year 2029-30, at such fees, plus applicable taxes and other out-of-pocket expenses as may be approved by the Audit Committee and as may be mutually agreed upon between the Board of Directors of the Company and the Secretarial Auditors."

**"RESOLVED FURTHER THAT** approval of the members/shareholders be and is hereby accorded to the Board of Directors (hereinafter referred to as the 'Board' which expression shall include any Committee thereof or person(s) authorized by the Board) to avail or obtain from the Secretarial Auditor, such other services or certificates, reports, or opinions which the Secretarial Auditors may be eligible to provide or issue under the applicable laws, at a remuneration to be determined by the Audit committee/Board of Directors of the Company. "

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to take all actions and do all such deeds, matters and things, as may be necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard."



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

**"RESOLVED THAT** pursuant to provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, including any statutory modification(s) or re-enactment thereof for the time being in force and as may be enacted from time to time and on the recommendation/ approval of Nomination & Remuneration Committee and the Board of Directors (the Board) at their respective meetings, consent of the members of the Company be and is hereby accorded to revise the remuneration (excluding reimbursement of expenses, if any) payable to Ms. Diya Patel, holding an office or place of profit, as 'Management Associate', to up to Rs. 40.00 lakh per annum w.e.f. 15<sup>th</sup> July, 2025 with the authority to the Board to alter / vary the terms and conditions of the said appointment including but not limited to designation and remuneration in such manner as may be decided by the Board from time to time at the recommendation of the Nomination & Remuneration Committee and subject to the applicable laws."

**"RESOLVED FURTHER THAT** for the purpose of giving effect to the foregoing Resolution, the Board of Directors of the Company and any person/ authority authorized by the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things, as may be considered necessary, proper or desirable in the said regard."

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 and other applicable provisions, if any of the Companies Act, 2013, as amended, and the rules and regulations made thereunder (collectively referred to as the "Companies Act") including the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended and other applicable law and pursuant to the provisions of the articles of association of the Company, Mr. Sanjay Shaileshbhai Majmudar (DIN: 00091305), whose second consecutive term as an Independent Director of the Company concludes at this 43<sup>rd</sup> Annual General Meeting of the Company and who has provided his consent to act as a Non-Executive Non-Independent Director of the Company, if appointed and who is eligible for appointment, be and is hereby re-designated and appointed as a Non-Executive Non-Independent Director of the Company upon the conclusion of this 43<sup>rd</sup> Annual General Meeting, and he shall be liable to retire by rotation as per the provisions of Section 152(6) of the Companies Act, 2013, and the terms of his appointment shall be in accordance with the appointment letter."

**"RESOLVED FURTHER THAT** pursuant to the provisions of Sections 197 and 198 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), and subject to such approvals as may be necessary, consent of the shareholders be and is hereby accorded for the payment of remuneration by way of commission to Mr. Sanjay Shaileshbhai Majmudar (DIN: 00091305), not exceeding ₹ 15,00,000/- per annum as may be decided by the Board of Directors of the Company until otherwise determined by the shareholders in general meeting."

**"RESOLVED FURTHER THAT**, the Company takes note of the declaration in writing from Mr. Sanjay Shaileshbhai Majmudar, in Form No. DIR-8, confirming that he is not disqualified under Section 164 of the Companies Act from acting as a director of the Company."

**"RESOLVED FURTHER THAT** the Company takes note of the disclosure of interest under Section 184 of the Companies Act 2013 in the Form MBP-1 from Mr. Sanjay Shaileshbhai Majmudar."

**"RESOLVED FURTHER THAT** the Company takes note of the recommendation of the appointment of Mr. Sanjay Shaileshbhai Majmudar as a Non-Executive Non-Independent Director to the shareholders of the Company."



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

**“RESOLVED THAT** pursuant to the provisions of Regulation 17 (1A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), other applicable provisions if any, of the Companies Act, 2013 and rules made there under including any statutory modification(s) or re-enactment thereof and subject to such other approvals as may be necessary in this regard, the consent of the members of the Company be and is hereby accorded for continuation of directorship of Mr. Vipinbhai Kantilal Patel (DIN: 00260734) as the Non-Executive Non-Independent Director of the Company, who has attained age of 75 years and is aged 77 years at present, from the conclusion of this 43<sup>rd</sup> AGM till as long as he continues in the office of the Director of the Company on the existing terms and conditions, subject to the provisions, rules and regulations of Companies Act 2013 and/or Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and/or of any other appropriate authorities, as may be applicable, and as amended from time to time.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary incidental or ancillary to give effect to this resolution, and to settle any question or doubt that may arise in this regard.”

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

**“RESOLVED THAT** pursuant to the provisions of Section 188, 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, as amended, and the rules and regulations made thereunder (collectively referred to as the “Companies Act”) including the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended and other applicable law and pursuant to the provisions of the articles of association of the Company, the Company do hereby accord its approval to the re-appointment of Mr. Chirag Hasmukhbhai Patel (DIN: 00260514) as a Joint Managing Director of the Company, not liable to retire by rotation, for a period of 3 years with effect from 1<sup>st</sup> April, 2026 to 31<sup>st</sup> March, 2029 on the terms and conditions and the remuneration (which have been approved by Nomination and Remuneration Committee) and that he be paid remuneration (even in the year of losses or inadequacy of profit) by way of Salary, perquisites and Commission not exceeding the amount thereof as set out in the Explanatory Statement which is permissible under Section II of Part II of Schedule V of the Companies Act, 2013.”

**“RESOLVED FURTHER THAT** the Company takes note of the declaration in writing from Mr. Chirag Hasmukhbhai Patel, in Form No. DIR-8, confirming that he is not disqualified under Section 164 of the Companies Act from acting as a director of the Company.”

**“RESOLVED FURTHER THAT** subject to the applicable laws, the extent and scope of Salary and Perquisites as specified in the Explanatory Statement be altered, enhanced, widened or varied by the Board of Directors in accordance with the relevant provisions of the Companies Act, 2013 for the payment of managerial remuneration in force during the tenure of the Joint Managing Director without the matter being referred to the Company in General Meeting again.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary to give effect to this resolution.”

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

**“RESOLVED THAT** pursuant to the provisions of Section 188, 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, as amended, and the rules and regulations made thereunder (collectively referred to as the “Companies Act”) including the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended and other applicable law and pursuant to the provisions of the articles of association of the Company, the Company do hereby accord its approval to the re-appointment of Mr. Malav Girishbhai Patel (DIN: 00260602) as a Joint Managing Director of the Company, not liable to retire by rotation,



for a period of 3 years with effect from 1<sup>st</sup> April, 2026 to 31<sup>st</sup> March, 2029 on the terms and conditions and the remuneration (which have been approved by Nomination and Remuneration Committee) and that he be paid remuneration (even in the year of losses or inadequacy of profit) by way of Salary, perquisites and Commission not exceeding the amount thereof as set out in the Explanatory Statement which is permissible under Section II of Part II of Schedule V of the Companies Act, 2013."

**"RESOLVED FURTHER THAT** the Company takes note of the declaration in writing from Mr. Malav Girishbhai Patel, in Form No. DIR-8, confirming that he is not disqualified under Section 164 of the Companies Act from acting as a director of the Company."

**"RESOLVED FURTHER THAT** subject to the applicable laws, the extent and scope of Salary and Perquisites as specified in the Explanatory Statement be altered, enhanced, widened or varied by the Board of Directors in accordance with the relevant provisions of the Companies Act, 2013 for the payment of managerial remuneration in force during the tenure of the Joint Managing Director without the matter being referred to the Company in General Meeting again."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary to give effect to this resolution."

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

**"RESOLVED THAT** pursuant to the provisions of Section 188, 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, as amended, and the rules and regulations made thereunder (collectively referred to as the "Companies Act") including the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended and other applicable law and pursuant to the provisions of the articles of association of the Company, the Company do hereby accord its approval to the re-appointment of Mr. Girishbhai Manibhai Patel (DIN: 00261624) as a Whole-time Director of the Company, liable to retire by rotation, for a period of 3 years with effect from 1<sup>st</sup> April, 2026 to 31<sup>st</sup> March, 2029 on the terms and conditions and the remuneration (which have been approved by Nomination and Remuneration Committee) and that he be paid remuneration (even in the year of losses or inadequacy of profit) by way of Salary, perquisites and Commission not exceeding the amount thereof as set out in the Explanatory Statement which is permissible under Section II of Part II of Schedule V of the Companies Act, 2013."

**"RESOLVED FURTHER THAT** the Company takes note of the declaration in writing from Mr. Girishbhai Manibhai Patel, in Form No. DIR-8, confirming that he is not disqualified under Section 164 of the Companies Act from acting as a director of the Company."

**"RESOLVED FURTHER THAT** subject to the applicable laws, the extent and scope of Salary and Perquisites as specified in the Explanatory Statement be altered, enhanced, widened or varied by the Board of Directors in accordance with the relevant provisions of the Companies Act, 2013 for the payment of managerial remuneration in force during the tenure of the Whole-time Director without the matter being referred to the Company in General Meeting again."

**"RESOLVED FURTHER THAT** pursuant to the provisions of Section 196(3) of Companies Act, 2013, consent of the members be and is hereby also accorded for continuation of Mr. Girishbhai Manibhai Patel, who is aged 77 years, as a Whole-time Director of the Company despite attaining the age of 70 years."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary to give effect to this resolution."

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

**"RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 12 of the Companies (Share Capital and Debenture) Rules, 2014 and read with rules framed thereunder, relevant provisions of the Regulations 6 & 7 of the Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 and any circulars/ notifications/



guidance/frequently asked questions issued thereunder, as amended from time to time (collectively referred as "SEBI SBEB Regulations"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI LODR Regulations"), the provisions of relevant regulations/guidelines, if any, prescribed by the Securities and Exchange Board of India ("SEBI"), the provisions of any other applicable laws and regulations (including any amendment thereto or modification(s) or re-enactment(s) thereof from time to time), the relevant provisions of the Memorandum and Articles of Association of the Company, and subject to any applicable approval(s), permission(s) and sanction(s) of any authorities and further subject to any condition(s) and modification(s) as may be prescribed or imposed by such authorities while granting such approval(s), permission(s) and sanction(s), the approval of the Company be and is hereby accorded to the amendments in 'M&B Engineering Limited Employee Stock Option Plan 2024' ("ESOP 2024" or "Plan") contemplating rationalization of the vesting schedule, extension of exercise period and inclusion of clauses in compliance with the SEBI SBEB Regulations, being not pre-judicial to the interests of the employees, done with the objective of bringing more effectiveness, authorizing the Board of Directors of the Company (*hereinafter referred to as the "Board" which term shall be deemed to include any committee, including the Nomination and Remuneration Committee or Compensation Committee which the Board has constituted under Regulation 19 of the SEBI LODR Regulations to exercise its powers, including the powers, conferred by this resolution*) to create and grant from time to time, in one or more tranches, not exceeding 7,50,000 (Seven Lakh and Fifty Thousands) employee stock options ("Options") to the employees as defined under the Plan (including employees of group company that includes subsidiary or its associate companies, or holding company), whether working in or outside India, subject to their eligibility as may be determined under the Plan, exercisable into not more than 7,50,000 (Seven Lakh and Fifty Thousands) ("Shares") of face value of Rs. 10/- (Rupees Ten) each fully paid-up, to be issued by the Company upon exercise to the Option grantees, where one Option upon exercise shall convert into one Share subject to payment/ recovery of requisite exercise price and applicable taxes, on such terms, condition and in such manner as the Board/ Committee may decide in accordance with the provisions of the applicable laws and the provisions of the Plan."

**"RESOLVED FURTHER THAT** the Shares as specified hereinabove shall be issued to the Option grantees upon exercise of Options in accordance with the terms of the grant and provisions of the Plan and such Shares shall rank *pari passu* in all respects with the then existing Shares of the Company."

**"RESOLVED FURTHER THAT** in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division and others, if any additional equity shares are required to be issued by the Company to the Option grantees for the purpose of making a fair and reasonable adjustment to the Options granted earlier, the ceiling in terms of number of Options and Shares specified above shall be deemed to be increased to the extent of such additional Options or Shares are required to be issued."

**"RESOLVED FURTHER THAT** in case the Shares of the Company are either sub-divided or consolidated, then the ceiling in terms of number of Shares specified above shall automatically stand augmented or reduced, as the case may be, in the same proportion as the face value per Share shall bear to the revised face value of the Share of the Company after such sub-division or consolidation."

**"RESOLVED FURTHER THAT** the Company shall conform to the accounting policies prescribed from time to time under the SEBI SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to the Plan."

**"RESOLVED FURTHER THAT** the Board be and is hereby authorized at any time to modify, change, vary, alter, amend, suspend or terminate the Plan subject to consent of the members by way of a special resolution to the extent required under the applicable laws including the SEBI SBEB Regulations and to do all such acts, deeds, matters and things as may at its absolute discretion deems fit, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard and further to execute all such documents, writings and to give such directions and or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the Plan and do all other things incidental and ancillary thereof."



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

**"RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 12 of the Companies (Share Capital and Debenture) Rules, 2014 and read with rules framed thereunder, relevant provisions of the Regulations 6 & 7 of the Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 and any circulars/notifications/guidance/frequently asked questions issued thereunder, as amended from time to time (collectively referred as "SEBI SBEB Regulations"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI LODR Regulations"), the provisions of relevant regulations/guidelines, if any, prescribed by the Securities and Exchange Board of India ("SEBI"), the provisions of any other applicable laws and regulations (including any amendment thereto or modification(s) or re-enactment(s) thereof from time to time), the relevant provisions of the Memorandum and Articles of Association of the Company, and subject to any applicable approval(s), permission(s) and sanction(s) of any authorities and further subject to any condition(s) and modification(s) as may be prescribed or imposed by such authorities while granting such approval(s), permission(s) and sanction(s), the approval of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any committee, including the Nomination and Remuneration Committee or Compensation Committee which the Board has constituted under Regulation 19 of the SEBI Listing Regulations to exercise its powers, including the powers, conferred by this resolution) to create and grant from time to time, in one or more tranches, such number of employee stock options ("Options") under the 'M&B Engineering Limited Employee Stock Option Plan 2024' ("ESOP 2024" or "Plan") within the limit and subject to all provisions prescribed therein to such employees as defined under the Plan, working with any group company of the Company including its subsidiary companies or associate companies, or holding company, in India or outside India, exercisable into corresponding number of equity shares of face value of Rs. 10/- (Rupees Ten) each fully paid-up upon exercise and be issued to the Option grantees by the Company, on such terms and in such manner as the Board /Committee may decide in accordance with the provisions of the applicable laws and the provisions of Plan."

**Registered Office:**

MB House, 51,  
Chandrodaya Society,  
Stadium Road,  
Ahmedabad – 380 014.

**Date:** 14<sup>th</sup> July, 2025



By order of the Board,

**Palak D. Parekh**

**Company Secretary & Compliance Officer**  
**Membership No. F10209**

**Notes:**

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of Special Businesses in the Notice is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY OR PROXIES TO ATTEND AND, TO VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING 50 (FIFTY) AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER SHAREHOLDER.  
The instrument of Proxy in order to be effective, must be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxy form submitted on behalf of the Companies, Societies, etc. must be supported by an appropriate resolution / authority, as applicable.
3. The members are requested to intimate to the Company, queries, if any, at least 10 days before the date of the meeting to enable the management to keep the required information available at the meeting.
4. Members are requested to notify to the Company any changes in their address.



## **ANNEXURE TO THE NOTICE**

### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IN RESPECT OF SPECIAL BUSINESSES MENTIONED IN THE NOTICE OF 43<sup>RD</sup> ANNUAL GENERAL MEETING BEING HELD ON 15<sup>TH</sup> JULY, 2025:**

#### **In respect of Item No. 3:**

The Board of Directors of the Company, on the recommendation of the Audit Committee, appointed M/s. Prutha Shah and Co., Cost Accountants, as Cost Auditors for the financial year 2024-25.

As per Section 148 of Companies Act, 2013 and applicable rules there under, the remuneration payable to the cost auditors is to be ratified by the members of the Company.

The Board considers the remuneration payable to the cost auditors as fair and recommends the resolution contained in item no. 3 of the notice for approval of the members.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in this resolution.

The Board recommends the resolution set out at Item No. 3 of the accompanying Notice, for your approval as an Ordinary Resolution

#### **In respect of Item No. 4:**

The Board at its meeting held on 14<sup>th</sup> July, 2025, based on recommendation of the Audit Committee, after evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., has approved the appointment of M/s. Kashyap R. Mehta & Partners, Company Secretaries, Ahmedabad (FRN: P2025GJ106000) (Peer Review Number: 682712025) as Secretarial Auditors of the Company for a term of five consecutive years commencing from FY 2025-26 till FY 2029-30, subject to approval of the Members.

The appointment of Secretarial Auditors shall be in terms of the amended Regulation 24A of the SEBI Listing Regulations vide SEBI Notification dated 12<sup>th</sup> December, 2024 and provisions of Section 204 of the Act and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

M/s. Kashyap R. Mehta & Partners, Company Secretaries is a known firm of Practising Company Secretaries based in Ahmedabad. The firm has been Peer Reviewed and Quality Reviewed by the Institute of Company Secretaries of India (ICSI), ensuring the highest standards in professional practices. The firm focussed on providing comprehensive professional services in Corporate laws and SEBI regulations and allied fields, delivering strategic solutions to ensure regulatory adherence and operational efficiency. The firm provides its services to various prominent companies across sectors like banking, manufacturing and pharmaceuticals Companies.

M/s. Kashyap R. Mehta & Partners, Company Secretaries has confirmed that the firm is not disqualified and is eligible to be appointed as Secretarial Auditors in terms of Regulation 24A of the SEBI Listing Regulations. The services to be rendered by M/s. Kashyap R. Mehta & Partners as Secretarial Auditors is within the purview of the said regulation read with SEBI circular no. SEBI/HO/CFD/CFD-PoD-2/CIR/P/2024/185 dated 31st December, 2024.

The proposed fees in connection with the secretarial audit shall be upto Rs. 2,00,000/- (Rupees Two Lakhs only) plus applicable taxes and other out-of-pocket expenses for FY 2026, and for subsequent year(s) of their term, such fees as may be mutually agreed between the Board of Directors and M/s. Kashyap R. Mehta & Partners.

In addition to the secretarial audit, M/s. Kashyap R. Mehta & Partners, Practising Company Secretaries shall provide such other services in the nature of certifications and other professional work, as approved by the Board of Directors. The relevant fees will be determined by the Board, as recommended by the Audit Committee in consultation with the Secretarial Auditors.

The Board recommends the Ordinary Resolution as set out in Item No. 4 of this Notice for approval of the Members.



None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are concerned or interested, in the Resolution set out in Item No. 4 of this Notice.

**In respect of Item No. 5:**

Section 188(1) (f) of the Companies Act, 2013 provides for the related party's appointment to any office or place of profit. The Board of Directors of the Company on the recommendation of the Nomination and Remuneration Committee, at their meeting held on 14<sup>th</sup> July, 2025 had consented for increase of remuneration payable to Ms. Diya Patel, Management Associate (related party holding office or place of profit) w.e.f 15<sup>th</sup> July, 2025, subject to approval of the members by way of an Ordinary Resolution.

The below is a statement of disclosures as required under the Companies (Meetings of Board and its Powers) Rules, 2014:

i.	Name of the related party	Ms. Diya Patel
ii.	Name of the director or key managerial personnel who is related, if any	Mr. Chirag H. Patel & Ms. Birva C. Patel
iii.	Nature of relationship	Ms. Diya Patel is relative (daughter) of Mr. Chirag H. Patel, Joint Managing Director (DIN: 00260514) and Ms. Birva C. Patel, Whole-time Director (DIN: 07203299).
iv.	Nature, material terms, monetary value and particulars of the contract or arrangement	The Board, subject to approval of members, have increased the remuneration payable to Ms. Diya Patel, Management Associate, from the current remuneration scale to up to Rs. 40.00 Lakh per annum.
v.	Any other information relevant or important for the members to take a decision on the proposed resolution	Ms. Diya Patel, being related party, is holding an office or place of profit as Management Associate in the Company w.e.f 1 <sup>st</sup> March, 2024 at a current remuneration of Rs. 21.00 Lakh per annum.  Considering her increased contribution to the Company, the Board of Directors, at the recommendation of Nomination & Remuneration Committee, has consented for increase in her remuneration to up to Rs. 40.00 Lakh per annum w.e.f 15 <sup>th</sup> July, 2025, subject to approval of the Members by way of an Ordinary Resolution.

The Board recommends the resolution for your approval as an Ordinary Resolution.

None of the Directors, Key Managerial Personnel (KMP) of the Company or any relatives of such Director or KMPs except Mr. Chirag H. Patel, Ms. Birva C. Patel and Ms. Diya Patel are in any way concerned or interested or deemed to be concern or interested, financially or otherwise, in the proposed resolution.

**In respect of Item No. 6:**

Mr. Sanjay Shaileshbhai Majmudar (DIN: 00091305) will conclude his second consecutive term as an Independent Director on the Board of the Company upon the conclusion of the 43<sup>rd</sup> Annual General Meeting.

The Company has always endeavored to maintain a broad-based Board, comprising of persons of eminence and expertise in diverse fields. Furthermore, the Company has greatly benefitted from Mr. Sanjay Shaileshbhai Majmudar's vast experience, strategic acumen and expert guidance during his tenure as a Director of the Company thus far. The Board of Directors is hence of the opinion that his continued association will be in the interest of the Company and its shareholders. Consequently, the Board of Directors of the Company at their meeting held on 14<sup>th</sup> July, 2025 have recommended the re-designation and appointment of Mr. Sanjay Shaileshbhai Majmudar as a Non-Executive Non-Independent Director of the Company upon the conclusion of his second consecutive term as an Independent Director.

The Company has received a Notice in writing from a Member of the Company under Section 160 (1) of the Companies Act, 2013 proposing the candidature of Mr. Sanjay Shaileshbhai Majmudar for the office of Director of the Company. Mr.



Sanjay Shaileshbhai Majmudar shall be liable to retire by rotation as per the provisions of Section 152(6) of the Companies Act, 2013, and the terms of his appointment shall be in accordance with the appointment letter.

Details of Mr. Sanjay Shaileshbhai Majmudar including his educational qualifications, experience and expertise are provided in the "Annexure" to the Notice pursuant to the provisions of the Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

In view of above and also considering the recommendation of Nomination and Remuneration Committee of the Company for appointment of Mr. Sanjay Shaileshbhai Majmudar as a Non-Executive Non-Independent Director of the Company, the said resolution is being recommended by the Board of Directors to the members of the Company for their consideration and accord approval thereto by way of an Ordinary Resolution.

None of the Directors, Key Managerial Personnel (KMP) of the Company or their relatives except Mr. Sanjay Shaileshbhai Majmudar, since it is relating to his own appointment, may be deemed to be concerned or interested in the resolution.

The Board recommends the resolution for your approval as an Special Resolution.

**In respect of Item No. 2 & 7:**

Pursuant to Regulation 17(1A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), no listed entity shall appoint a person or continue the directorship of any person as a Non-Executive Director who has attained the age of 75 years, unless a Special Resolution is passed by the Company to that effect.

Mr. Vipinbhai Kantilal Patel (DIN: 00260734) aged 77 years, was designated a Non-Executive Non-Independent Director of the Company w.e.f. 7<sup>th</sup> March, 2024 (prior to listing). Mr. Vipinbhai Kantilal Patel holds a bachelor's degree in commerce. He is also an inter-chartered accountant. He has been associated with our Company since December 31, 1984. He has over 40 years of experience in the pre-engineered buildings, roofing, construction and other manufacturing sector.

Details of Mr. Vipinbhai Kantilal Patel including his educational qualifications, experience and expertise are provided in the "Annexure" to the Notice pursuant to the provisions of the Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

In the opinion of the Board, Mr. Vipinbhai Kantilal Patel fulfils the conditions specified in the Act and rules made there under for his continuation as a Director of the Company.

The Board of Directors of the Company, considering the need for advice, guidance and mentorship to the Company's management, is of opinion that Mr. Vipinbhai Kantilal Patel possesses relevant expertise and vast experience. His continued association as non-executive director will be beneficial and in the best interest of the Company.

In view of above and also considering the recommendation of Nomination and Remuneration Committee of the Company for continuation of appointment of Mr. Vipinbhai Kantilal Patel as Non-Executive Non-Independent Director of the Company from the conclusion of this 43<sup>rd</sup> AGM, on basis of his skills, extensive and enriched experience in diverse areas and suitability to the Company, the said Resolutions No. 2 & 7 are being recommended by the Board of Directors to the Shareholders of the Company for their consideration and they are requested to accord their approval thereto by way of Special Resolutions.

None of the Directors, Key Managerial Personnel (KMP) of the Company or any relatives of such Director or KMPs except Mr. Vipinbhai Kantilal Patel, as his relates to his own appointment and Mr. Aditya Vipinbhai Patel, whose relative the former is, are in any way concerned or interested or deemed to be concern or interested, financially or otherwise, in the proposed resolutions mentioned at Item Nos. 2 & 7 of the Notice.

**In respect of Item No. 8:**

The Board of Directors of the Company (pursuant to the recommendation of Nomination and Remuneration Committee) at their meeting held on 14<sup>th</sup> July, 2025 have recommended re-appointment of Mr. Chirag H. Patel as Joint Managing Director for a period of 3 years i.e. from 1<sup>st</sup> April, 2026 to 31<sup>st</sup> March, 2029, not liable to retire by rotation.



The major terms of the remuneration of the Joint Managing Director are as under:

**I. PERIOD:**

The term of the Joint Managing Director shall be for a period of three years i.e. from 1<sup>st</sup> April, 2026 to 31<sup>st</sup> March, 2029 (not liable to retire by rotation).

**II. REMUNERATION:**

**A. SALARY:**

The Joint Managing Director shall be entitled to salary up to Rs. 4,00,00,000/- p.a.

**B. PERQUISITES:**

1. Contribution to Provident Fund, Superannuation Fund @ 15% of salary and Annuity Fund to the extent these either singly or together are not taxable under the Income-tax Act, 1961.
2. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
3. Encashment of leave at the end of the tenure.
4. Reimbursement of Medical expenses for himself and family.
5. Free use of Company's car for Company's business and free telephone facility at residence.
6. Leave Travel Concession for himself and family once in a year as per rules of Company.

**C. COMMISSION:**

The Joint Managing Director shall be entitled to commission of 1 % of the net profits of the Company so that for any year of aggregate of salary, perquisites and commission shall not exceed the overall ceilings laid down under Section 197 of the Companies Act, 2013.

**III.** The Joint Managing Director shall be entitled to reimbursement of expenses incurred by him in connection with the business of the Company.

**IV.** The Joint Managing Director shall not, so long as he functions as such, become interested or otherwise concerned directly or through his spouse and/or minor children in any selling agency of the Company without the prior approval of the Central Government.

**V. DUTIES:**

Subject to the superintendence, direction and control of the Board of Directors of the Company, the Joint Managing Director shall be entrusted with substantial powers of management and also such other duties and responsibilities as may be entrusted to him by the Board of Directors from time to time. The headquarters of the Joint Managing Director shall be at Ahmedabad or at such place as the Board of Directors may decide from time to time.

**VI. TERMINATION:**

The Joint Managing Director may be removed from his office for gross negligence, breach of duty or trust if a special Resolution to that effect is passed by the Company in its General Meeting. The Joint Managing Director may resign from his office by giving 90 days' notice to the Company.



## VII. COMPENSATION:

In the event of termination of office of the Joint Managing Director takes place before the expiration of tenure thereof, the Joint Managing Director shall be entitled to receive compensation from the Company for loss of office to the extent and subject to limitation as provided under section 202 of the Companies Act, 2013.

As per the provisions of Sections 188, 196, 197, 203 and all other applicable provisions, if any, of the Companies Act, 2013, a Special Resolution is necessary for holding office as Managing Director of the Company on remuneration.

The following are the information required under Section II of Part II of Schedule V of the Companies Act, 2013:

Sr. No	Particulars	Information
<b>I</b>	<b>GENERAL INFORMATION</b>	
1	Nature of industry	Pre-engineered Buildings, Support less Roofing, Construction
2	Date or expected date of commencement of commercial production	Already Commenced
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	NA
4	Financial performance based on given indicators	Turnover (2024-25): Rs. 988.55 Cr.
5	Foreign investments or collaborations, if any.	Nil
<b>II</b>	<b>INFORMATION ABOUT THE APPOINTEE</b>	
1	Background details	Chirag Hasmukhbhai Patel aged 54 years, is an entrepreneur. He oversees overall operations including techno commercial and strategic functions in the Company. He holds a bachelor's degree in civil engineering from Gujarat University. He has over 31 years of experience in the pre-engineered buildings, roofing, construction and other manufacturing sector. He has been associated with our Company since May 1, 1993.
2	Past remuneration	Approved limit of Rs. 3.15 Crore Plus PF and Superannuation during previous term
3	Recognition or awards	-
4	Job profile and his suitability	As mentioned in background details
5	Remuneration proposed	Rs. 4.00 Crore Plus PF and Superannuation
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 w. r. t the country of his origin.)	Remuneration is commensurate with experience & qualifications. It is lower compared to industry standard formula.
7	Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any	Mr. Chirag Hasmukhbhai Patel is the spouse of Ms. Birva Chirag Patel, a Whole-time Director of the Company.
<b>III</b>	<b>OTHER INFORMATION</b>	
1	Reasons of loss or inadequate profits	Due to overall market conditions and any potential slackness in the economy, there may arise such a situation.



2	Steps taken or proposed to be taken for improvement	Company is expanding its network for export and targeting orders with better margins. Company had also introduced Heavy Structures and Beam which has a better margin and expanding its domestic and export market.
3	Expected increase in productivity and profits in measurable terms	Turnover expected to increase in future
<b>IV DISCLOSURES</b>		
1	The following disclosure shall be mentioned in the Board of Director's report under the heading "Corporate Governance", if any, attached to the annual report:	
(i)	All elements of remuneration package such as salary, benefits, bonuses, stock, stock options, pension, etc. of all the directors;	As mentioned above
(ii)	Details of fixed component and performance linked incentives along with the performance criteria;	Only fixed salary. There is no performance linked incentive.
(iii)	Service contracts, notice period, severance fees;	90 days' Notice
(iv)	Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable;	NA

Details of Mr. Chirag Hasmukhbhai Patel including his educational qualifications, experience and expertise are provided in the "Annexure" to the Notice pursuant to the provisions of the Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

In the opinion of the Board, Mr. Chirag Hasmukhbhai Patel fulfils the conditions specified in the Act and rules made there under for his continuation as a Joint Managing Director of the Company.

In view of above and also considering the recommendation of Nomination and Remuneration Committee of the Company for re-appointment of Mr. Chirag Hasmukhbhai Patel as a Joint Managing Director, on basis of his skills, extensive and enriched experience in diverse areas and suitability to the Company, the said Resolution No. 8 is being recommended by the Board of Directors to the Shareholders of the Company for their consideration and they are requested to accord their approval thereto by way of Special Resolution.

None of the Directors, Key Managerial Personnel (KMP) of the Company or any relatives of such Director or KMPs except Mr. Chirag Hasmukhbhai Patel, as his relates to his own appointment and Ms. Birva Chirag Patel, whose relative the former is, are in any way concerned or interested or deemed to be concern or interested, financially or otherwise, in the proposed resolution mentioned at Item No. 8 of the Notice.

#### **In respect of Item No. 9:**

The Board of Directors of the Company (pursuant to the recommendation of Nomination and Remuneration Committee) at their meeting held on 14<sup>th</sup> July, 2025 have recommended re-appointment of Mr. Malav Girishbhai Patel as Joint Managing Director for a period of 3 years i.e. from 1<sup>st</sup> April, 2026 to 31<sup>st</sup> March, 2029, not liable to retire by rotation.

The major terms of the remuneration of the Joint Managing Director are as under:

#### **I. PERIOD:**

The term of the Joint Managing Director shall be for a period of three years i.e. from 1<sup>st</sup> April, 2026 to 31<sup>st</sup> March, 2029 (not liable to retire by rotation).



## **II. REMUNERATION:**

### **A. SALARY:**

The Joint Managing Director shall be entitled to salary up to Rs. 5,00,00,000/- p.a.

### **B. PERQUISITES:**

1. Contribution to Provident Fund, Superannuation Fund @ 15% of salary and Annuity Fund to the extent these either singly or together are not taxable under the Income-tax Act, 1961.
2. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
3. Encashment of leave at the end of the tenure.
4. Reimbursement of Medical expenses for himself and family.
5. Free use of Company's car for Company's business and free telephone facility at residence.
6. Leave Travel Concession for himself and family once in a year as per rules of Company.

### **C. COMMISSION:**

The Joint Managing Director shall be entitled to commission of 1 % of the net profits of the Company so that for any year of aggregate of salary, perquisites and commission shall not exceed the overall ceilings laid down under Section 197 of the Companies Act, 2013.

**III.** The Joint Managing Director shall be entitled to reimbursement of expenses incurred by him in connection with the business of the Company.

**IV.** The Joint Managing Director shall not, so long as he functions as such, become interested or otherwise concerned directly or through his spouse and/or minor children in any selling agency of the Company without the prior approval of the Central Government.

### **V. DUTIES:**

Subject to the superintendence, direction and control of the Board of Directors of the Company, the Joint Managing Director shall be entrusted with substantial powers of management and also such other duties and responsibilities as may be entrusted to him by the Board of Directors from time to time. The headquarters of the Joint Managing Director shall be at Ahmedabad or at such place as the Board of Directors may decide from time to time.

### **VI. TERMINATION:**

The Joint Managing Director may be removed from his office for gross negligence, breach of duty or trust if a special Resolution to that effect is passed by the Company in its General Meeting. The Joint Managing Director may resign from his office by giving 90 days' notice to the Company.

### **VII. COMPENSATION:**

In the event of termination of office of the Joint Managing Director takes place before the expiration of tenure thereof, the Joint Managing Director shall be entitled to receive compensation from the Company for loss of office to the extent and subject to limitation as provided under section 202 of the Companies Act, 2013.

As per the provisions of Sections 188, 196, 197, 203 and all other applicable provisions, if any, of the Companies Act, 2013, a Special Resolution is necessary for holding office as Managing Director of the Company on remuneration.



The following are the information required under Section II of Part II of Schedule V of the Companies Act, 2013:

Sr. No	Particulars	Information
<b>I</b>	<b>GENERAL INFORMATION</b>	
1	Nature of industry	Pre-engineered Buildings, Support less Roofing, Construction
2	Date or expected date of commencement of commercial production	Already Commenced
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	NA
4	Financial performance based on given indicators	Turnover (2024-25): 988.55 Cr.
5	Foreign investments or collaborations, if any.	Nil
<b>II</b>	<b>INFORMATION ABOUT THE APPOINTEE</b>	
1	Background details	Mr. Malav Girishbhai Patel, aged 48 years, is an entrepreneur. He manages sales and marketing, human capital and administration in the Company. He holds a bachelor's degree in science (economics and business administration) from Saint Mary's College of California. He has over 24 years of experience in the pre-engineered buildings, roofing, construction and other manufacturing sector. He has been associated with our Company since February 1, 2001.
2	Past remuneration	Approved limit of Rs. 2,25,00,000/- p.a. Plus PF and Superannuation during previous term
3	Recognition or awards	-
4	Job profile and his suitability	As mentioned in background details
5	Remuneration proposed	Rs. 5,00,00,000/- p.a. Plus PF and Superannuation
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 w. r. t the country of his origin.)	Remuneration is commensurate with experience & qualifications. It is lower compared to industry standard formula.
7	Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any	Mr. Malav Girishbhai Patel is the son of Mr. Girishbhai Manibhai Patel, a Whole-time Director of the company.
<b>III</b>	<b>OTHER INFORMATION</b>	
1	Reasons of loss or inadequate profits	Due to overall market conditions and any potential slackness in the economy, there may arise such a situation.
2	Steps taken or proposed to be taken for improvement	Company is expanding its network for export and targeting orders with better margins. Company had also introduced Heavy Structures and Beam which has a better margin and expanding its domestic and export market.
3	Expected increase in productivity and profits in measurable terms	Turnover is expected to increase in future
<b>IV</b>	<b>DISCLOSURES</b>	



I	The following disclosure shall be mentioned in the Board of Director's report under the heading "Corporate Governance", if any, attached to the annual report:	
(i)	All elements of remuneration package such as salary, benefits, bonuses, stock, stock options, pension, etc. of all the directors;	As mentioned above
(ii)	Details of fixed component and performance linked incentives along with the performance criteria;	Only fixed salary. There is no performance linked incentive.
(iii)	Service contracts, notice period, severance fees;	90 days' Notice
(iv)	Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable;	NA

Details of Mr. Malav Girishbhai Patel including his educational qualifications, experience and expertise are provided in the "Annexure" to the Notice pursuant to the provisions of the Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

In the opinion of the Board, Mr. Malav Girishbhai Patel fulfils the conditions specified in the Act and rules made there under for his continuation as a Joint Managing Director of the Company.

In view of above and also considering the recommendation of Nomination and Remuneration Committee of the Company for re-appointment of Mr. Malav Girishbhai Patel as a Joint Managing Director, on basis of his skills, extensive and enriched experience in diverse areas and suitability to the Company, the said Resolution No. 9 is being recommended by the Board of Directors to the Shareholders of the Company for their consideration and they are requested to accord their approval thereto by way of Special Resolution.

None of the Directors, Key Managerial Personnel (KMP) of the Company or any relatives of such Director or KMPs except Mr. Malav Girishbhai Patel, as his relates to his own appointment and Mr. Girishbhai Manibhai Patel, whose relative the former is, are in any way concerned or interested or deemed to be concern or interested, financially or otherwise, in the proposed resolution mentioned at Item No. 9 of the Notice

#### **In respect of Item No. 10:**

The relevant provisions of section 196 of the Companies Act, 2013 mandate that no company shall appoint or continue the employment of any person as Managing Director, Whole-Time Director or Manager who has attained the age of 70 years unless a special resolution is passed by the Company in General Meeting to that effect. Furthermore, the present term of Mr. Girishbhai M. Patel is expiring on 31<sup>st</sup> March, 2026. Hence, approval of members by way of Special Resolution is required for re-appointing Mr. Girishbhai M. Patel, who is aged 77 years, as a Whole-time Director of the Company.

The Board of Directors of the Company (pursuant to the recommendation of Nomination and Remuneration Committee) at their meeting held on 14<sup>th</sup> July, 2025 have recommended re-appointment of Mr. Girishbhai m. Patel as Whole-time Director for a period of 3 years i.e. from 1<sup>st</sup> April, 2026 to 31<sup>st</sup> March, 2029, liable to retire by rotation.

The major terms of the remuneration of the Whole-time Director are as under:

#### **I. PERIOD:**

The term of the Whole-time Director shall be for a period of three years i.e. from 1<sup>st</sup> April, 2026 to 31<sup>st</sup> March, 2029 (liable to retire by rotation).

#### **II. REMUNERATION:**

##### **A. SALARY:**

The Whole-time Director shall be entitled to salary up to Rs.3,00,00,000/- p.a.

##### **B. PERQUISITES:**



1. Contribution to Provident Fund, Superannuation Fund @ 15% of salary and Annuity Fund to the extent these either singly or together are not taxable under the Income-tax Act, 1961.
2. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
3. Encashment of leave at the end of the tenure.
4. Reimbursement of Medical expenses for himself and family.
5. Free use of Company's car for Company's business and free telephone facility at residence.
6. Leave Travel Concession for himself and family once in a year as per rules of Company.

#### **C. COMMISSION:**

The Whole-time Director shall be entitled to commission of 1 % of the net profits of the Company so that for any year of aggregate of salary, perquisites and commission shall not exceed the overall ceilings laid down under Section 197 of the Companies Act, 2013.

**III.** The Whole-time Director shall be entitled to reimbursement of expenses incurred by him in connection with the business of the Company.

**IV.** The Whole-time Director shall not, so long as he functions as such, become interested or otherwise concerned directly or through his spouse and/or minor children in any selling agency of the Company without the prior approval of the Central Government.

#### **V. DUTIES:**

Subject to the superintendence, direction and control of the Board of Directors of the Company, the Whole-time Director shall be entrusted with substantial powers of management and also such other duties and responsibilities as may be entrusted to him by the Board of Directors from time to time. The headquarters of the Whole-time Director shall be at Ahmedabad or at such place as the Board of Directors may decide from time to time.

#### **VI. TERMINATION:**

The Whole-time Director may be removed from his office for gross negligence, breach of duty or trust if a special Resolution to that effect is passed by the Company in its General Meeting. The Whole-time Director may resign from his office by giving 90 days' notice to the Company.

#### **VII. COMPENSATION:**

In the event of termination of office of the Whole-time Director takes place before the expiration of tenure thereof, the Whole-time Director shall be entitled to receive compensation from the Company for loss of office to the extent and subject to limitation as provided under section 202 of the Companies Act, 2013.

As per the provisions of Sections 188, 196, 197, 203 and all other applicable provisions, if any, of the Companies Act, 2013, a Special Resolution is necessary for holding office as Whole-time Director of the Company on remuneration.



The following is the information required under Rule 7 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 containing the information as per Section II of Part II of Schedule V of the Companies Act, 2013:

Sr. No	Particulars	Information
<b>I</b>	<b>GENERAL INFORMATION</b>	
1	Nature of industry	Pre-engineered Buildings, Support less Roofing, Construction
2	Date or expected date of commencement of commercial production	Already Commenced
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	NA
4	Financial performance based on given indicators	Turnover (2024-25): Rs. 988.55 Cr.
5	Foreign investments or collaborations, if any.	Nil
<b>II</b>	<b>INFORMATION ABOUT THE APPOINTEE</b>	
1	Background details	Mr. Girishbhai M. Patel, aged 77 years, is an entrepreneur. He holds a diploma in diesel mechanisms from John C. Calhoun State Technical School, Decatur, Alabama. He has over 40 years of experience in the pre-engineered buildings, roofing, construction and other manufacturing sector. He has been associated with our Company since December 31, 1984.
2	Past remuneration	Approved Limit of Rs. 2,25,00,000/- p.a. Plus PF and Superannuation during previous term
3	Recognition or awards	-
4	Job profile and his suitability	As mentioned in background details
5	Remuneration proposed	Rs. 3,00,00,000/- Plus PF and Superannuation
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 w. r. t the country of his origin.)	Remuneration is commensurate with experience & qualifications. It is lower compared to industry standard formula.
7	Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any	Mr. Girishbhai M. Patel is the father of Mr. Malav G. Patel, a Joint Managing Director of the Company.
<b>III</b>	<b>OTHER INFORMATION</b>	
1	Reasons of loss or inadequate profits	Due to overall market conditions and any potential slackness in the economy, there may arise such a situation.
2	Steps taken or proposed to be taken for improvement	Company is expanding its network for export and targeting orders with better margins. Company had also introduced Heavy Structures and Beam which has a better margin and expanding its domestic and export market.
3	Expected increase in productivity and profits in measurable terms	Turnover is expected to increase in future
<b>IV</b>	<b>DISCLOSURES</b>	



1	The following disclosure shall be mentioned in the Board of Director's report under the heading "Corporate Governance", if any, attached to the annual report:	
(i)	All elements of remuneration package such as salary, benefits, bonuses, stock, stock options, pension, etc., of all the directors;	As mentioned above
(ii)	Details of fixed component and performance linked incentives along with the performance criteria;	Only fixed salary. There is no performance linked incentive.
(iii)	Service contracts, notice period, severance fees;	90 days' Notice
(iv)	Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable;	NA

Details of Mr. Girishbhai Manibhai Patel including his educational qualifications, experience and expertise are provided in the "Annexure" to the Notice pursuant to the provisions of the Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

In the opinion of the Board, Mr. Girishbhai Manibhai Patel fulfils the conditions specified in the Act and rules made there under for his continuation as a Joint Managing Director of the Company.

The Board of Directors of the Company, considering the need for advice, guidance and mentorship to the Company's management, is of opinion that Mr. Girishbhai Manibhai Patel possesses relevant expertise and vast experience. His continued association despite his age will be beneficial and in the best interest of the Company.

In view of above and also considering the recommendation of Nomination and Remuneration Committee of the Company for re-appointment of Mr. Girishbhai Manibhai Patel as a Joint Managing Director, on basis of his skills, extensive and enriched experience in diverse areas and suitability to the Company, the said Resolution No. 10 is being recommended by the Board of Directors to the Shareholders of the Company for their consideration and they are requested to accord their approval thereto by way of Special Resolution.

None of the Directors, Key Managerial Personnel (KMP) of the Company or any relatives of such Director or KMPs except Mr. Girishbhai Manibhai Patel, as his relates to his own appointment and Mr. Malav Girishbhai Patel, whose relative the former is, are in any way concerned or interested or deemed to be concern or interested, financially or otherwise, in the proposed resolution mentioned at Item No. 10 of the Notice.

#### **In respect of Item No. 11 & 12:**

The Company believes that equity-based compensation schemes/ plans are effective tools to attract and reward the talents working the Company and its subsidiaries. With the objective to motivate key employees for their association, contribution to the corporate growth, to create an employee ownership culture, to retain the best talent in the competitive environment and to encourage them in aligning individual goals with that of the Company's objectives, the Company had introduced 'M&B Engineering Limited Employee Stock Option Plan 2024' ("ESOP 2024" or "Plan") vide shareholders' special resolution dated 6<sup>th</sup> June 2024. However, no employee stock options ("Option") were granted up to date. Upon a revision of the existing provisions of the Plan, it was thought expedient to rationalize certain provisions of the Plan like:

- i. rationalization of employee definition;
- ii. inclusion of definition of Group company;
- iii. inclusion of definition of Market Price;
- iv. specification of individual grant ceiling;
- v. rationalization of the vesting schedule;
- vi. extension of exercise period; and
- vii. inclusion of few clauses in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 ("SEBI SBEB Regulations");

All the amendments in the Plan have been specified by way of notes therein. The rationales for such variation are to make the Plan conducive for the achievement of primary objectives, better alignment with SEBI SBEB Regulations, bringing



clarity for administration, and also for the benefit of the employees. None of the amendments is pre-judicial to the interests of the employees.

Given the details of the amendment, rationale and the fact that the amendments are not prejudicial to the interests of the employees, as per provisions of the Companies Act, 2013 read with the provisions of the Companies (Share Capital and Debenture) Rules, 2014 and that of SEBI SBEB Regulations, the Company seeks members' approval by way of separate special resolutions for:

- (i) Approval of the amendments in the Plan; and
- (ii) Grant of Options to the eligible employees of the group company(ies) of the Company including Company's subsidiaries, associate companies and holding company under the Plan as amended.

For informed decision making, as required under applicable laws, the features of the Plan as amended are specified below:

**a) Brief description of the Plan:**

The Plan contemplates grant of Option to the eligible employees (including directors) of the Company and its group company(ies) including Company's subsidiaries, associate companies and holding company, as may be determined in due compliance of SEBI SBEB Regulations and provisions of the Plan. After vesting of Options, the eligible employees earn a right (but not obligation) to exercise the vested Options within the exercise period and obtain equity shares of the Company subject to payment of exercise price and satisfaction of any tax obligation arising thereon. The eligible employees are expected to get benefit in line with creation of value for the shareholders.

The Nomination and Remuneration Committee or Compensation Committee ("Committee") of the Company shall supervise the Plan. All questions of interpretation of the Plan shall be determined by the Committee and such determination shall be final and binding upon all persons having an interest in the Plan.

**b) Total number of Options to be granted:**

The total number of Options to be granted under the Plan shall not exceed 7,50,000 (Seven Lakh and Fifty Thousand) Options. The source of Shares shall be from fresh issuance of primary Shares.

The SEBI SBEB Regulations require that in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division and others, a fair and reasonable adjustment needs to be made to the Options granted. In this regard, the Committee shall adjust the number and exercise price of the Options granted in such a manner that the total value of the Options granted under the Plan remains the same after any such corporate action. Accordingly, if any additional Options are issued by the Company to the Option grantees for making such fair and reasonable adjustment, the aforesaid the ceiling of Options/Shares shall be deemed to be increased to the extent of such additional Options issued.

**c) Identification of classes of employees entitled to participate in the Plan**

Following classes of employees and directors (collectively referred to as "Employees") are eligible being:

- (i) an Employee as designated by the Company, who is exclusively working in India or outside India; or
- (ii) a Director of the Company, whether a whole time Director or not, including a non-executive Director who is not a Promoter or member of the Promoter Group, but excluding an Independent Director; or
- (iii) an Employee as defined in sub-clauses (i) or (ii), of a Group Company including Subsidiary Company or its associate company, in India or outside India, or of a Holding Company of the Company, but does not include—
  - a) an Employee who is a Promoter or a person belonging to the Promoter Group; or
  - b) a Director who, either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten per cent of the outstanding equity shares of the Company.

**d) Requirements of vesting and period of vesting**

Any Option granted under the Plan shall vest not earlier than minimum vesting period of 1 year and not later than the maximum vesting period of 4 years from the date of grant as may be determined by the Committee.

Options shall vest essentially based on continuation of employment/service as per requirements of the SEBI SBEB Regulations. Besides continuity of employment/service, the Options may vest subject to achievement of performance conditions as may be prescribed by the Committee.

In the event of death or permanent disability of an Employee, the minimum vesting period shall not be applicable and in such instances, all the unvested Options shall vest with effect from date of the death or permanent incapacity.



**e) Maximum period within which the Options shall be vested:**

All the Options granted on any date shall vest not later than a maximum of **4 years** from the date of grant of Options as may be determined by the Committee.

**f) Exercise price or pricing formula:**

The options will be granted at the following exercise prices as decided by the Committee, subject to Applicable Laws:

- i. Post listing at a price as may be decided by the Committee; or
- ii. Prior to listing, at such discount from the market price per Share as may be decided by the Committee.

Market price prior to listing has been defined to mean fair market value of shares as determined by a valuer as prescribed under the Companies Act, 2013.

**g) Exercise period and the process of Exercise:**

The exercise period would commence from the date of vesting and will expire on completion of **2 years** from the date of respective vesting.

The vested Option shall be exercisable by the Option grantees by a written application to the Company expressing his/her desire to exercise such Options in such manner and on such format as may be prescribed by the Committee from time to time. Exercise of Options shall be entertained only upon payment of requisite exercise price and satisfaction of applicable taxes by the Option grantees. The Options shall lapse if not exercised within the specified exercise period.

**h) Appraisal process for determining the eligibility of employees under the Plan:**

Appraisal process for determining the eligibility of the Employees and eligibility for Employees will be based on designation, period of service, loyalty, work ethics, moral, performance linked parameters such as work performance and such other criteria as may be determined by the Committee at its sole discretion, from time to time.

**i) Maximum number of Options to be issued per employee and in aggregate:**

The number of Options that may be granted under the Plan per Employee and in aggregate (taking into account all grants) for such Employee under the Plan, shall not exceed 250,000 (Two Lakh and Fifty Thousand).

**j) Maximum quantum of benefits to be provided per employee:**

There is no contemplation of benefit other than grant of Options and any benefit arising out of Options shall be subject to ceiling specified in point hereinabove.

**k) Route of Plan implementation:**

The Plan shall be implemented and administered directly by the Company.

**l) Source of acquisition of shares under the Plan:**

The Plan contemplates acquisition of Shares from fresh issuance of primary Shares by the Company.

**m) Amount of loan to be provided for implementation of the Plan by the Company to the Trust, its tenure, utilization, repayment terms, etc:**

This is not applicable as Direct route is contemplated.

**n) Maximum percentage of secondary acquisition:**

This is not applicable as primary shares are contemplated.

**o) Accounting and Disclosure Policies:**

The Company shall follow the Accounting Standard IND AS 102 on Share based payments and/ or any relevant Accounting Standards as may be prescribed by the competent authorities from time to time, including the disclosure requirements prescribed therein in due compliance with the requirements of Regulation 15 of the SEBI SBEB Regulations. In addition, the Company shall disclose such details as required under the applicable laws including that under the applicable provisions of the SEBI SBEB Regulations.

**p) Method of Option valuation:**

The Company shall adopt 'fair value method' for valuation Options as prescribed under guidance note or under any relevant accounting standard notified by appropriate authorities from time to time.



**q) Declaration:**

In case the company opts for expensing of share-based employee benefits using the intrinsic value, 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 and the impact of this difference on profits and on Earning Per Share ("EPS") of the Company shall also be disclosed in the Directors' report.

**r) Period of Lock-in:**

The shares issued pursuant to exercise of Options shall not be subject to any lock-in period restriction except such restrictions as may be prescribed under applicable laws including that under the code of conduct framed, if any, by the Company under the Securities and Exchange Board of India (Prohibition of Insider Trading), Regulations, 2015, as amended, post listing of its shares.

**s) Terms & conditions for buyback, if any, of specified securities/ Options covered granted under the Plan:**

Subject to the provisions of the then prevailing applicable laws, the Committee shall determine the procedure for buy-back of Options granted under the Plan if to be undertaken at any time by the Company, and the applicable terms and conditions thereof.

Additional disclosures as per Rule 12 of the Companies (Share Capital and Debenture) Rules, 2014:

**t) The conditions under which the Options vested in employees may lapse e.g. in case of termination of employment or misconduct**

In the event of termination of the employment due to misconduct, all the Options granted to such Option grantee, including all the vested Options which were not exercised at the time of such termination shall stand cancelled with effect from the date of such termination. In case of termination not due to misconduct, vested Options shall not lapse; however, unvested Options as on that day shall lapse.

**u) Specified time period within which the employee shall exercise the vested Options in the event of a proposed termination of employment or resignation of employee**

In the event of resignation / termination (other than due to misconduct) of the Option grantee, all the vested Options as on the date of submission of resignation / date of termination shall be exercisable by the Option grantee not later than six months or before the expiry of the exercise period, whichever is earlier.

Consent of the members is being sought by way of special resolutions pursuant to Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 read with Rule 12 of the Companies (Share Capital and Debenture) Rules, 2014 and as per Regulation 6 & 7 of the SEBI SBEB Regulations to the extent applicable as on date.

A draft copy of the Plan as amended (containing details of the amendments) will be available for inspection by the members.

None of the Directors, Key Managerial Personnel of the Company including their relatives are interested or concerned in the resolutions, except to the extent they may be lawfully granted Options under the Plan.

The Board of Directors recommends the Special Resolutions set forth as Item Nos. 11 and 12 of the notice for approval of the shareholders.

**Registered Office:**

MB House, 51,  
Chandrodaya Society,  
Stadium Road,  
Ahmedabad - 380 014.

**Date:** 14<sup>th</sup> July, 2025



**By order of the Board,**

**Palak D. Parekh**  
Company Secretary & Compliance Officer  
Membership No. F10209



**THE DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AND/OR FIXATION OF REMUNERATION OF MANAGING DIRECTOR IN FORTHCOMING ANNUAL GENERAL MEETING PURSUANT TO SECRETARIAL STANDARD 2 ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA:**

Name of Directors	Vipinbhai Kantilal Patel (DIN: 00260734)	Sanjay Shaileshbhai Majmudar (DIN: 00091305)	Chirag Hasmukhbhai Patel (DIN: 00260514)	Malav Girishbhai Patel (DIN: 00260602)	Girishbhai Manibhai Patel (DIN: 00261624)
Age (in years)	77	62	54	48	77
Date of Birth	17-03-1948	21-03-1963	26-03-1971	20-10-1976	31-08-1947
Date of Appointment	31-12-1984 (original)	01-04-2011 (original)	01-05-1993 (original)	01-02-2001 (original)	31-12-1984 (original)
Qualifications	B.Com and Inter CA	B.com, LLB & CA	B.E. (civil)	B.E. science (economics and business administration)	diploma in diesel mechanisms
Experience/ Expertise	He holds a bachelor's degree in commerce from H.L. Commerce College, Gujarat University. He is also an inter-chartered accountant. He has been associated with our Company since December 31, 1984. He has over 40 years of experience in the pre-engineered buildings, roofing, construction and other manufacturing sector. He has been previously associated with Mahendra Mills Limited as an internal auditor.	He holds a bachelor's degree in commerce and bachelor's degree in law, both from Gujarat University. He is a chartered accountant and a member of the Institute of Chartered Accountants of India. He has over 38 years of experience in the finance sector. He is also associated with Sanjay Majmudar & Associates as a proprietor and Parikh & Majmudar as a partner.	He oversees overall operations including techno commercial and strategic functions in the Company. He holds a bachelor's degree in civil engineering from Gujarat University. He has over 31 years of experience in the pre-engineered buildings, roofing, construction and other manufacturing sector. He has been associated with our Company since May 1, 1993.	He manages sales and marketing, human capital and administration in the Company. He holds a bachelor's degree in science (economics and business administration) from Saint Mary's College of California. He has over 24 years of experience in the pre-engineered buildings, roofing, construction and other manufacturing sector. He has been associated with our Company since December 31, 1984.	He holds a diploma in diesel mechanisms from John C. Calhoun State Technical School, Decatur, Alabama. He has over 40 years of experience in the pre-engineered buildings, roofing, construction and other manufacturing sector. He has been associated with our Company since December 31, 1984.
Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid	As per resolution at item no. 7 of the Notice convening this Meeting	As per resolution at item no. 6 of the Notice convening this Meeting	As per resolution at item no. 8 of the Notice convening this Meeting	As per resolution at item no. 9 of the Notice convening this Meeting.	As per resolution at item no. 10 of the Notice convening this Meeting.
Remuneration last drawn by such person, if any.	NIL	NIL	Approved limit of Rs. 3.15 Crore p.a.	Approved limit of Rs. 2.25 Crore p.a.	Approved limit of Rs. 2.25 Crore p.a.
Shareholding in the Company (No. of Shares)	24,99,000 Equity Shares	NIL	1,74,95,000 Equity Shares	10,00,000 Equity Shares	1,94,90,000 Equity Shares
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Related to Aditya Vipinbhai Patel, a Whole Time Director of the Company	Not Related to any Directors, Manager and other Key Managerial Personnel of the Company	Related to Birva Chirag Patel, a Whole Time Director of the Company	Related to Girishbhai Manibhai Patel, a Whole Time Director of the Company	Related to Malav Girishbhai Patel, a Joint Managing Director of the Company



Number of Meetings of the Board attended during the year	8	8	8	8
List of Public Limited Companies in which Directorships held	NIL	1. AIA Engineering Ltd. 2. Welcast Steels Ltd. 3. Ashima Limited 4. Senores Pharmaceuticals Limited	NIL	NIL
List of Private Limited Companies in which Directorships held	1. Maxim Finance Pvt Ltd 2. Shrinathji Prestressed Private Limited 3. Giriraj Prestressed Private Limited 4. Azkka Pharmaceuticals Private Limited 5. Phenix Building Solutions Private limited 6. Phenix Building Services Private Limited 7. LV Finance Private Limited	NIL	1. Phenix Engineering Services Private Limited 2. Giriraj Prestressed Private Limited 3. Azkka Pharmaceuticals Private Limited 4. Shrinathji Prestressed Private Limited 5. Maxim Finance Private Limited 6. Phenix Building Private Solutions Limited	1. Phenix Engineering Services Private Limited 2. Giriraj Prestressed Private Limited 3. Azkka Pharmaceuticals Private Limited 4. Shrinathji Prestressed Private Limited 5. Maxim Finance Private Limited 6. Phenix Building Private Solutions Limited
Chairman/Member of the Committees in public limited and listed companies in India	NIL	Chairman: - Ashima Limited-AC - Senores Pharmaceuticals Limited-SRC Membership: - AIA Engineering Limited-AC, CSR, RMC - Senores Pharmaceuticals Limited- NRC & RMC - Welcast Steels Limited- AC & CSR	NIL	NIL



Listed entities from which resigned in the past three years	NIL	Ashima Limited- SRC	NIL	NIL	NIL
Justification for choosing the appointee for appointment as Independent Directors	Not Applicable	1. Dishman Carbogen Amcis Limited (completion of tenure) 2. Aarvee Denims and Exports Limited (completion of tenure)	Not Applicable	Not Applicable	Not Applicable
Brief resume of the director	Please refer experience/ expertise section	Please refer experience/ expertise section	Please refer experience/ expertise section	Please refer experience/ expertise section	Please refer experience/ expertise section

**Registered Office:**  
MB House, 51,  
Chandrodaya Society,  
Stadium Road,  
Ahmedabad - 380 014.  
**Date:** 14<sup>th</sup> July, 2025



**By order of the Board,**

**Palak D. Parekh**  
**Company Secretary & Compliance Officer**  
**Membership No. F10209**



**M&B ENGINEERING LIMITED****DIRECTORS' REPORT**

Dear Shareholders,

The Directors present the 43<sup>RD</sup> ANNUAL REPORT together with the Audited Financial Statements for the Financial Year 2024-25 ended 31<sup>st</sup> March, 2025.

**1. FINANCIAL PERFORMANCE**

(Rs. in lakh)

Particulars	Standalone		Consolidated	
	2024-25	2023-24	2024-25	2023-24
Revenue from Operations	90,915.69	78,721.36	98,855.43	79,505.99
Profit before Interest, Depreciation & Tax	13,068.72	9,469.59	13,471.13	9,282.11
Depreciation	1,247.59	876.60	1,251.75	887.9
Finance Cost	1,967.04	2,289.50	1,995.76	2,305.84
Profit before tax	9,854.09	6,303.49	10,223.62	6,088.37
Provision for tax:				
Current Tax	2,234.52	1,548.54	2,300.29	1,576.54
Deferred Tax	218.83	(51.59)	218.57	(51.58)
Profit after tax	7,400.74	4,806.54	7,704.76	4,563.41
Other Comprehensive Income	(106.56)	(110.25)	(106.56)	(110.25)
Total Comprehensive Income	7,294.18	4,696.29	7,598.20	4,453.16
Earning per Share	14.80	9.61	15.41	9.13

**2. MATERIAL CHANGES AND COMMITMENTS**

No material changes and commitments affecting the financial position of the Company occurred between the ends of the financial year to which these financial statements relate on the date of this report.

**3. DIVIDEND & DIVIDEND DISTRIBUTION POLICY**

With an intention to strengthen the financial resources of the Company, Directors has not recommended any dividend on the Equity Shares for the year under review.

The Dividend Distribution Policy, in terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") is available on the Company's website at [www.mbel.in](http://www.mbel.in).

**4. REVIEW OF OPERATIONS / COMPANY AFFAIRS**

The turnover of the Company stood at Rs. 90,915.69 lakh during the year 2024-25 under review against 78,721.36 lakh for the year 2023-24. During the year under review, Profit before Interest, Depreciation & Tax was Rs. 13,068.72 lakh as compared to profit of Rs. 9,469.59 lakh for the year 2023-24. The Profit after tax for the year under review stood at Rs. 7,400.74 lakh as compared to profit of Rs. 4,806.53 lakh for the year 2023-24.

Our Cheyyar Facility was commissioned on May 23, 2024, with an installed capacity of 31,800 MTPA.



## **5. FUTURE OUTLOOK**

With the robust order bank and multiple plants in place, the Company is looking forward to a phenomenal growth in the coming years.

## **6. INITIAL PUBLIC OFFERING (IPO):**

The Company has filed Draft Red Herring Prospectus dated 17<sup>th</sup> February, 2025 with the Securities and Exchange Board of India. The Company is in process of undertaking initial public offering of Equity Shares of the Company which shall consist of fresh issue of such number of equity shares of the Company as aggregates up to Rs. 275 Crores and an offer for sale of up to Rs. 375 Crores. The Equity Shares are proposed to be listed on the BSE Limited, the National Stock Exchange of India Limited and any other stock exchange as determined by the Board at its absolute discretion. The Fresh Issue and Offer for Sale has been authorised by our Board pursuant to its resolution dated January 18, 2025 and by our Shareholders pursuant to their resolution dated February 12, 2025.

## **7. CHANGE IN THE NATURE OF BUSINESS**

There is no change in the nature of business during the period under review.

## **8. RESERVES**

Your Company does not propose to transfer any amount to general reserve.

## **9. DIRECTORS & KEY MANAGERIAL PERSONNEL**

9.1 Mr. Chirag H. Patel has stepped down as the Chairman of the Company w.e.f. 14<sup>th</sup> July, 2025.

9.2 Mr. Hemant I. Modi has been appointed as the Chairman of the Company w.e.f. 14<sup>th</sup> July, 2025.

9.3 One of your Directors viz. Mr. Vipinbhai K. Patel (DIN: 00260734) retires by rotation in terms of the Articles of Association of the Company. However, being eligible, offers himself for reappointment. Furthermore, pursuant to the provisions of Regulation 17(1A) of SEBI Listing Regulations, a resolution is being proposed to be passed at the 43<sup>rd</sup> AGM for his continuation as a Non-Executive Director.

9.4 Re-appointment of Mr. Chirag H. Patel (DIN: 00260514) and Mr. Malav G. Patel (DIN: 00260602) as Joint Managing Directors and Mr. Girishbhai M. Patel (DIN: 00261624) as a Whole-time Director is being proposed vide respective Special Resolutions to be passed at the 43<sup>rd</sup> AGM.

9.5 Mr. Hemant I. Modi, Ms. Sonal V. Ambani, Mr. Subir Kumar Das and Mr. Udayan D. Choksi were appointed as Non-executive Independent Directors by the members of the Company at the Extra-ordinary General Meeting held on 2<sup>nd</sup> April, 2024

9.6 Ms. Birva C. Patel and Mr. Aditya V. Patel were appointed as Whole-time Directors by the members of the Company at the Extra-ordinary General Meeting held on 2<sup>nd</sup> April, 2024.

9.7 Mr. Birju M. Patel (DIN: 06803409) was re-appointed as a Non-executive Independent Director of the Company for a second term of consecutive 5 years at the 42<sup>nd</sup> Annual General Meeting held on 6<sup>th</sup> June, 2024.

9.8 The Company has received necessary declaration from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013 (the Act) that they meet with the criteria of their independence laid down in Section 149(6) of the Act and Regulation 16(1)(b) of SEBI Listing Regulations. In terms of provisions of Section 150 of the Companies Act, 2013 read with Rule 6(4)



of the Companies (Appointment & Qualification of Directors) Amendment Rules, 2019 the Independent Directors of the Company have registered themselves with the Indian Institute of Corporate Affairs, Manesar ('IICA') and they have furnished the declaration affirming their compliance to the Board with the provisions contained under sub rules 1 & 2 of Rule 6 of Companies (Appointment & Qualification of Directors) Rules.

In opinion of the Board, the Independent Directors fulfill the conditions of independence as specified in the Act and Rules made thereunder and the Listing Regulations. They have further declared that they are not debarred or disqualified from being appointed or continuing as directors of the Companies by the SEBI/ Ministry of Corporate Affairs or any other statutory authority. In terms of Regulation 25(8) of the Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. In the opinion of the Board, all the Independent Directors are persons of integrity and possess relevant expertise and experience including the proficiency.

9.9 Brief profile of the Directors being appointed/ re-appointed as required under under Regulation 36(3) of Listing Regulations, 2015 and Secretarial Standard on General Meetings are provided in the Notice for the forthcoming 43<sup>rd</sup> AGM of the Company.

9.10 Formal Annual Evaluation: The Nomination and Remuneration Committee adopted a formal mechanism for evaluating the performance of the Board of Directors as well as that of its Committees and individual Directors, including Chairman of the Board, Key Managerial Personnel/ Senior Management etc. The exercise was carried out through an evaluation process covering aspects such as composition of the Board, experience, competencies, governance issues etc.

#### **9.11 DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the requirement of Section 134 of the Companies Act, 2013, it is hereby confirmed:

- (i) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at 31<sup>st</sup> March, 2025 being end of the financial year 2024-25 and of the profit of the Company for the year;
- (iii) that the Directors had taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the Directors had prepared the annual accounts on a going concern basis.
- (v) the Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- (vi) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.



## **9.12 MEETINGS OF THE BOARD OF DIRECTORS**

During the year under review, the Company held Eight (8) board meetings of the Board of Directors as per Section 173 of Companies Act, 2013 on 23<sup>rd</sup> May, 2024, 6<sup>th</sup> June, 2024, 5<sup>th</sup> September, 2024, 23<sup>rd</sup> September, 2024, 25<sup>th</sup> September, 2024, 18<sup>th</sup> January, 2025, 12<sup>th</sup> February, 2025 and 17<sup>th</sup> February, 2025.

The provisions of the Companies Act, 2013 were adhered to while considering the time gap between two meetings.

## **10. INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY:**

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and the timely preparation of reliable financial disclosures.

## **11. CHANGES IN CAPITAL STRUCTURE**

### **AUTHORISED SHARE CAPITAL**

During the year under review, the Authorised Share Capital of the Company was increased to Rs. 80.00 Crores by way of creation of 50,00,000 Preference of Rs. 10/- each.

As at 31<sup>st</sup> March, 2025, the Authorised Equity Share Capital of the Company stood at Rs. 80,00,00,000/- divided into 7,50,00,000 Equity Shares of Rs. 10/- each and 50,00,000 Preference Shares of Rs. 10/- each.

As at 31<sup>st</sup> March, 2025 the Paid-up Equity Share Capital of the Company stood at Rs. 50,00,00,000/- divided into 5,00,00,000 Equity Shares of Rs. 10/- each.

As on 31<sup>st</sup> March, 2025, the Company has not issued shares with differential voting rights, not granted any stock options, not issued any sweat equity shares and none of the Directors of the Company hold any convertible instruments.

### **ALLOTMENT OF SECURITIES**

The Company has not made any allotment of shares/securities during the year under review.

### **BUY BACK OF SECURITIES**

The Company has not bought back any of its securities during the year under review.

### **SWEAT EQUITY**

The Company has not issued any Sweat Equity Shares during the year under review.

### **EMPLOYEES STOCK OPTION PLAN**

At the 42<sup>nd</sup> Annual General Meeting held on 6<sup>th</sup> June, 2024, the Company has obtained approval of members for 'M&B Engineering Limited Employee Stock Option Plan 2024' to create, offer, and grant from time to time and in one or more tranches up to 7,50,000 employee stock options to the eligible employees of the Company and also passed a separate resolution enabling extending the benefits of the aforementioned Scheme to the eligible employees of the subsidiary company(ies). The Company with the approval of the shareholders at the ensuing Annual General Meeting, is planning to amend the 'M&B Engineering Limited Employee Stock Option Plan 2024



The Company has not granted any Stock Options to the employees of the Company during the year under review and there are no outstanding stock options.

## 12. ADOPTION OF NEW SET OF ARTICLES OF ASSOCIATION:

After obtaining the approval of the members at the 42<sup>nd</sup> AGM held on 6<sup>th</sup> June, 2024, a new set of Articles of Association was adopted as the Company is proposing to undertake an initial public offer of the equity share of the Company.

## 13. MANAGERIAL REMUNERATION:

(Rs. In lakh)

Sr. No.	Name of the Director & Designation	Remuneration (Salary + Perquisites) (FY 2024-25)	Commission received from Holding/ Subsidiary
1	Girishbhai M. Patel, Whole Time Director	224.79	N.A.
2	Chiragbhai H. Patel, Chairman & Joint Managing Director	323.37	N.A.
3	Malav G. Patel, Joint Managing Director	239.55	N.A.
4	Aditya V. Patel, Whole Time Director	106.77	N.A.
5	Birva C. Patel, Whole Time Director	114.30	N.A.

The Board of Directors has framed a Remuneration Policy that assures the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors, Key Managerial Personnel and Senior Management to enhance the quality required to run the Company successfully. All the Board Members and Senior Management personnel have affirmed time to time implementation of the said Remuneration policy.

The Nomination and Remuneration Policy is available on the Company's website: [www.mbel.in](http://www.mbel.in)

## 14. KEY MANAGERIAL PERSONNEL:

### % INCREASE IN REMUNERATION OF DIRECTORS AND KMP

Sr. No.	Name of the Director & KMP	Designation	Percentage Increase (If any)
1	Girishbhai M. Patel	Whole Time Director	33%
2	Chiragbhai H. Patel	Chairman & Joint Managing Director	23%
3	Malav G. Patel	Joint Managing Director	38%
4	Aditya V. Patel	Whole Time Director	53%
5	Birva C. Patel	Whole Time Director	20%
6	Pankaj Naresh	Chief Executive Officer - Phenix Division	6%
7	Mayur S. Patel	Chief Executive Officer - Proflex Division	21%



8	Keyur B. Shah	Chief Financial Officer	11%
9	Palak D. Parekh	Company Secretary & Compliance Officer	-

**15. NET WORTH OF THE COMPANY:**

The Net worth as on 31<sup>st</sup> March, 2025 is Rs. 313.43 Crores compared to Rs. 241.49 Crores on 31<sup>st</sup> March, 2024.

**16. PERSONNEL AND H. R. D.:****INDUSTRIAL RELATIONS:**

The industrial relations continued to remain cordial and peaceful and your Company continued to give ever increasing importance to training at all levels and other aspects of H. R. D. The number of Employees of the Company is 1631. The relationship between average increase in remuneration and Company's performance is as per the appropriate performance benchmarks and reflects short and long term performance objectives appropriate to the working of the Company and its goals.

**PARTICULARS OF EMPLOYEES:**

The information required under Rule 5(2) of Companies Appointment & Remuneration of Managerial personnel Rules, 2014 is set out below.

Name	Mr. Chirag H. Patel	Mr. Malav G. Patel	Mr. Girish M. Patel	Birva C. Patel	Mr. Pankaj Naresh
Designation	Chairman & Joint Managing Director	Joint Managing Director	Whole Time Director	Whole Time Director	CEO- Phenix Division
Remuneration received (Rs. in Lakh)	323.37	239.55	224.79	114.30	192.72
Nature of Employment	Contractual	Contractual	Contractual	Contractual	Permanent
Qualification	B.E. Civil	B.B.A.	Hydraulic Engineer from USA	B. Com & CS	Master's Degree in Business Administration, Master's degree in Engineering (industrial engineering and management) and BE-electrical
Experience	Over 30 Years in the field of civil projects	Over 25 Years in the field of civil projects	Over 50 years of technical experience in the field of civil projects	More than 16 years of experience in Compliance field	more than 30 years of experience in sales & marketing
Date of commencement of employment with the Company	01/05/1993	01/02/2001	31/12/1984	02/04/2025	25/11/2019



**Director's Report – 2024-25**

Age	54 Years	48 Years	77 years	51 years	58 years
Last employment before	-	-	-	She was associated with our Company as Company Secretary till 31 <sup>st</sup> March, 2024.	Reliance Industries Limited
Percentage of Equity Shares held	34.99%	2.00%	38.98%	10.00%	NIL

**17. RELATED PARTY TRANSACTION AND DETAILS OF LOANS, GUARANTEES, INVESTMENT & SECURITIES PROVIDED**

Details of Related Party Transactions and Details of Loans, Guarantees and Investments covered under the provisions of Section 188 and 186 of the Companies Act, 2013 respectively are given in the notes to the Financial Statements attached to the Directors' Report.

All transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any transactions with related parties which could be considered as material in accordance with the policy of the Company on materiality of related party transactions.

**18. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information required under Section 134(3)(m) of the Companies Act, 2013 and rule 8(3) of Companies (Accounts) Rules, 2014, relating to the conservation of Energy and Technology Absorption forms part of this report and is given by way of **Annexure-A**.

**19. SECRETARIAL AUDIT REPORT**

Your Company has obtained Secretarial Audit Report as required under Section 204(1) of the Companies Act, 2013 from M/s. Kashyap R. Mehta & Associates, Company Secretaries, Ahmedabad. The said Report is attached with this Report as **Annexure – B**.

**20. EXTRACT OF ANNUAL RETURN**

Pursuant to substitution made in Section 92(3) of the Companies Act, 2013 vide the Companies (Amendment) Act, 2017; the requirement of including an extract of the annual return in the Board's report has been omitted. The draft Annual Return as on 31st March, 2025 is available on the Company's website at [www.mbel.in](http://www.mbel.in).

**21. AUDIT COMMITTEE**

The Company has complied with the requirements of Section 177 of the Companies Act, 2013 as regards composition of Audit Committee.

The Board of Directors, on 23<sup>rd</sup> May, 2024 had re-constituted Audit Committee consisting of the following:

1. Mr. Sanjay S. Majmudar - Chairman
2. Mr. Udayan D. Choksi - Member
3. Mr. Vipin K. Patel - Member



The members of the committee had met on 6<sup>th</sup> June, 2024, 5<sup>th</sup> September, 2024, 23<sup>rd</sup> September, 2024, 25<sup>th</sup> September, 2024, 18<sup>th</sup> January, 2025, 12<sup>th</sup> February, 2025 and 17<sup>th</sup> February, 2025 during the year 2024-25.

Further the Board of Directors, in their meeting held on 14<sup>th</sup> July, 2025 have re-constituted Audit Committee w.e.f. 15<sup>th</sup> July, 2025 consisting of the following:

1. Mr. Udayan D. Choksi - Chairman
2. Mr. Sanjay S. Majmudar - Member
3. Mr. Birju M Patel - Member

#### **21.1 VIGIL MECHANISM:**

The Board of Directors has laid down a policy on Vigil Mechanism for effective and smooth functioning of Company. All the Board Members and Senior Management personnel have affirmed compliance with the policy of Vigil Mechanism.

#### **22. NOMINATION AND REMUNERATION COMMITTEE**

The Company has complied with the requirements of Section 178 of the Companies Act, 2013 as regards composition of Nomination and Remuneration Committee.

The Board of Directors, on 23<sup>rd</sup> May, 2024 had reconstituted Remuneration Committee of Directors, consisting of the following:

1. Mr Sanjay S. Majmudar - Chairman
2. Mr. Hemant I. Modi - Member
3. Mr. Vipin K. Patel - Member

Further, the Board of Directors, in their meeting held on 14<sup>th</sup> July, 2025 reconstituted Remuneration Committee of Directors, consisting of the following:

1. Mr. Birju M Patel - Chairman
2. Mr. Hemant I. Modi - Member
3. Mr. Vipin K. Patel - Member

The Committee identifies and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.

The Committee fixes remuneration of the Directors on the basis of their performance and also practice in the industry. The terms of reference of the Nomination & Remuneration Committee include review and recommendation to the Board of Directors of the remuneration paid to the Directors. The Committee meets as and when required to consider remuneration of Directors. The policy on Remuneration of Directors, Key Managerial Personnel and Senior Employees can be accessed on website of the Company.

The committee met once during the Financial Year 2024-25 on 6<sup>th</sup> June, 2024.

#### **23. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Your Company has been constantly working towards promoting equality, including and empowering the under-represented and underserved communities. Your Company invests in the areas of education, inclusion and livelihood through non-profits and social enterprises. Your Company's constant endeavor



has been to support initiatives in the chosen focus areas of CSR, including certain unique initiatives. Your Company has a duly constituted Corporate Social Responsibility Committee, which is responsible for fulfilling the CSR objectives of your Company. Some of the core areas identified by the Committee are Education, Health, Environment, women empowerment etc.

The Board of Directors has adopted a CSR policy which is in line with the provisions of the Act. The CSR Policy of your Company lays down the philosophy and approach of your Company towards its CSR commitment.

The Board of Directors, on 23<sup>rd</sup> May, 2024 re-constituted Corporate Social Responsibility ("CSR") Committee in terms of the provisions of Section 135 of the Companies Act, 2013 consisting of the following:

1. Mr. Malav G. Patel, Chairman,
2. Mr. Sonal V. Ambani, Member
3. Mr. Birva C. Patel, Member

The committee met once during the Financial Year 2024-25 on 5<sup>th</sup> September, 2024.

### **23.1 ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY**

As per Rule 8(1) of Companies (Corporate Social Responsibility Policy) Rules, 2014 the Annual Report on Corporate Social Activities has been attached herewith as **Annexure – C**.

### **24. STAKEHOLDERS' RELATIONSHIP COMMITTEE**

The Board of Directors, on 23<sup>rd</sup> May, 2024 has constituted a Stakeholders' Relationship Committee for the purpose of effective Redressal of the complaints and concerns of the shareholders and other stakeholders of the Company.

The Committee comprises the following Directors as members as on the date of the Report:

1. Mr. Vipin K Patel, Chairman
2. Mr. Subir Kumar Das, Member
3. Mr. Birju M. Patel, Member
4. Mr. Malav G. Patel, Member

The Company had not received any complaints during the year and thus, there is no complaint pending as on date.

There was no valid request for transfer of shares pending as on 31st March, 2025.

Ms. Palak D. Parekh, Company Secretary is the Compliance Officer for the above purpose.

### **25. RISK MANAGEMENT COMMITTEE**

The Board of Directors, on 23<sup>rd</sup> May, 2024 had constituted a Risk Management Committee for the purpose of effective Risk Management framework of the Company.

The Committee comprises the following as on the date of the Report:

1. Mr. Chirag H. Patel, Chairman
2. Mr. Aditya V. Patel, Member
3. Mr. Sanjay S. Majmudar, Member
4. Mr. Pankaj Naresh, Member



Further, the Board of Directors, in their meeting held on 14<sup>th</sup> July, 2025 has constituted a Risk Management Committee for the purpose of effective Risk Management framework of the Company.

The Committee comprises the following as on the date of the Report:

1. Mr. Chirag H. Patel, Chairman
2. Mr. Aditya V. Patel, Member
3. Mr. Birju M Patel, Member
4. Mr. Pankaj Naresh, Member

## **26. GENERAL**

### **26.1. AUDITORS**

#### **STATUTORY AUDITORS**

At the 42<sup>nd</sup> Annual General Meeting held on 6<sup>th</sup> June, 2024, M/s. Talati & Talati LLP, Chartered Accountants, were appointed as Statutory Auditors of the Company to hold office for the period of 5 years i.e. for the financial years 2024-25 to 2028-29.

The observations of the Statutory Auditors, when read together with the relevant notes to the accounts and accounting policies are self-explanatory and do not call for any further comment.

### **26.2. COST AUDITORS**

As per the requirement of Central Government and pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, the Company has been carrying out audit of cost records every year.

The Board of Directors, on the recommendation of Audit Committee, has appointed M/s. Prutha Shah & Co., Cost Accountants, Ahmedabad, (Firm Registration Number 102498) as Cost Auditor to audit the cost accounts of the Company for the financial year 2025-26. As required under the Companies Act, 2013, a resolution seeking Shareholders' approval for the remuneration payable to the Cost Auditor forms part of the Notice convening the 43<sup>rd</sup> Annual General Meeting for their ratification.

### **26.3. INSURANCE**

The Company's properties including building, plant and machinery, stocks, stores etc. continue to be adequately insured against risks such as fire, riot, strike, civil commotion, malicious damages, machinery breakdown etc.

### **26.4. FIXED DEPOSITS**

The Company has not accepted any fixed deposits from the public within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

### **26.5. RISKS MANAGEMENT POLICY**

The Company has a risk management policy, which from time to time, is reviewed by the Audit Committee of Directors as well as by the Board of Directors. The Policy is reviewed quarterly by assessing the threats and opportunities that will impact the objectives set for the Company as a whole. The Policy is designed to provide the categorization of risk into threat and its cause, impact, treatment and control measures. As part of the Risk Management policy, the relevant parameters for protection of



environment, safety of operations and health of people at work and monitored regularly with reference to statutory regulations and guidelines defined by the Company.

#### **26.6. STATEMENT ON SUBSIDIARIES/ ASSOCIATES/ JVS**

The Company does not have any Associate / JVs. The Company has two subsidiaries viz. Phenix Construction Technologies Inc. (USA) and Phenix Building Solutions Private limited. Further, a statement containing the salient feature of the financial statement of Subsidiaries under the first proviso to sub-section (3) of section 129 is appended as **Annexure – D**.

#### **26.7. CODE OF CONDUCT**

The Board of Directors has laid down a Code of Conduct applicable to the Board of Directors and Senior Management. All the Board Members and Senior Management personnel have affirmed compliance with the code of conduct. Code of Conduct for Board Members and Senior Management is available on the website of the Company at [www.mbel.in](http://www.mbel.in).

#### **26.8. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS**

There has been no significant and material order passed by any regulators or courts or tribunals, impacting the going concern status of the Company and its future operations.

#### **26.9. ENVIRONMENT AND SAFETY**

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires conduct of operations in such a manner, so as to ensure safety of all concerned, compliances of environmental regulations and preservation of natural resources.

#### **26.10. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013**

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. Details as mandated under Rule 8(5)(x) of the Companies (Accounts) Rules, 2014 are as under:

(a) number of complaints of sexual harassment received in the year  
NIL

(b) number of complaints disposed off during the year  
NIL

(c) number of cases pending for more than ninety days  
NIL

#### **26.11. INSTANCES OF FRAUD, IF ANY REPORTED BY THE AUDITORS**

There have been no instances of fraud reported by the Auditors under Section 143(12) of the Companies Act, 2013.

#### **26.12. SECRETARIAL STANDARDS**

The Company complies with the Secretarial Standards, issued by the Institute of Company Secretaries of India, which are mandatorily applicable to the Company.



#### **26.13 DETAILS OF PROCEEDINGS UNDER IBC & OTS, IF ANY**

There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016. Further, there was no instance of one time settlement with any Bank or Financial Institution.

#### **26.14. DECLARATION FROM DIRECTORS FOR LOANS**

With respect to the loans advanced by the Directors to the Company, the Company has received necessary declarations from Directors that the said loan is not given out of funds acquired by them by borrowing or accepting loans or deposits from others.

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

Since there was no unpaid/unclaimed Dividend declared and paid last year, the provisions of Section 125 of the Companies Act, 2013 do not apply.

#### **26.16 STATEMENT WITH RESPECT TO THE COMPLIANCE OF THE PROVISIONS RELATING TO THE MATERNITY BENEFIT ACT, 1961**

The Company is in compliance with the applicable provisions of the Maternity Benefit Act, 1961.

26.17 No agreements have been entered / executed by the parties as mentioned under Clause 5A of paragraph A of Part A of Schedule III of SEBI Listing Regulations which, either directly or indirectly effect/ impact the Management or Control of the Company or impose any restriction or create any liability upon the Company.

#### **27. FINANCE**

The Company has tied up for Term Loan facility from Standard Chartered Bank, HDFC Bank Ltd and Kotak Mahindra Bank Ltd under multiple banking arrangements.

The Company is enjoying working capital facilities under consortium arrangement with ICICI Bank Ltd as a Leader and Bank of Baroda, Standard Chartered Bank, Axis Bank Ltd, HDFC Bank Ltd and Kotak Bank Ltd. as member Banks.

#### **28. DEMATERIALISATION OF EQUITY SHARES**

Shareholders have an option to dematerialise their shares with the depositories viz CDSL & NSDL. The ISIN No. allotted is INE08N601015.

#### **29. DISCLOSURE OF ACCOUNTING TREATMENT**

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.



### **30. ACKNOWLEDGMENT**

Your Directors express their sincere thanks and appreciation to Promoters and Shareholders for their constant support and co-operation. Your Directors also place on record their grateful appreciation and co-operation received from Bankers, Financial Institutions, Government Agencies and employees of the Company.

Place: Ahmedabad  
Date: 14<sup>th</sup> July, 2025



On behalf of the Board of Directors.

  
Chirag H. Patel  
Joint Managing Director  
DIN:00260514

  
Malav G. Patel  
Joint Managing Director  
DIN:00260602



## ANNEXURE –A

## FORM - A

Disclosure of particulars with respect to Conservation of Energy

**(A) Conservation of energy-**

Steps taken or impact on conservation of energy	In line with the Company's commitment towards conservation of energy, all units continue with their efforts aimed at improving energy efficiency through innovative measures to reduce wastage and optimize consumption
Steps taken by the Company for utilising alternate sources of energy	-
Capital investment on energy conservation equipments	N.A.

**(B) TECHNOLOGY ABSORPTION:**

Efforts made in Research and Development and Technology Absorption as per Form B prescribed in the Rules is as under:

## 1. Research &amp; Development (R &amp; D)

(a) Specific areas in which R&D carried out by the Company.	:	New product development and improvement in Quality.
(b) Benefits derived as a result of the above R&D	:	Increase in the range of products in its volume of contribution in increased sales turnover.
(c) Future plan of action	:	To maintain improved quality of products through quality control.
(d) Expenditure on R&D	:	Marginal

2. Technology absorption, adoption and innovation: The Company has sought technical know services for improvement in Production throughput which is likely to benefit the company for a long term.

**(C) FOREIGN EXCHANGE EARNINGS & OUTGO:****(Rs. In lakh)**

	2024-25	2023-24
Total Foreign exchange earnings	3,101.19	1,621.82
Total Foreign Exchange used	1,101.26	567.43

On behalf of the Board of Directors.

Place: Ahmedabad  
Date: 14th July, 2025



*Chirag H. Patel*  
Chirag H. Patel  
Joint Managing Director  
DIN:00260514

*Malay G Patel*  
Malay G Patel  
Joint Managing Director  
DIN:00260602



**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2025**

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

To,  
The Members,  
**M&B Engineering Limited**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M&B Engineering Limited** [CIN: U45200GJ1981PLC004437] ('hereinafter called the Company') having Registered Office at MB House, 51, Chandrodaya Society, Stadium Road, Ahmedabad – 380 014. The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

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

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2025 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iii) 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; and
- (iv) Various common laws applicable to the manufacturing and other activities of the Company such as Labour Laws, Pollution Control Laws, Land Laws etc. for which we have relied on Certificates/ Reports/ Declarations/Consents/Confirmations obtained by the Company from the experts of the relevant field such as Advocates, Labour Law Consultants, Engineers, Occupier of the Factories, Registered Valuers, Chartered Engineers, Factory Manager, Chief Technology Officer of the Company, Local Authorities, Effluent Treatment Adviser etc. as applicable.





We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

The compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this audit since the same have been subject to review by the statutory financial auditor and other designated professionals.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors including Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were made in compliance with the applicable provisions. The changes in the Key Managerial Personnel (KMP) carried out during the period under review were in compliance with the applicable provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, except where consent of Directors was received for circulation of the agenda and notes on agenda at a shorter notice, 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 is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that, during the audit period, the Company has granted/ continued interest free unsecured loans to Companies and other parties.





We would further like to draw your attention to the following resolutions passed in compliance with the relevant provisions of the Companies Act, 2013:

- Duly passed Special Resolutions for appointment of (a) Mr. Hemant Ishwarlal Modi (DIN: 00171161) (b) Ms. Sonal Vimal Ambani (DIN: 02404841) (c) Mr. Subir Kumar Das (DIN: 02237356) (d) Mr. Udayan Dileep Choksi (DIN: 02222020) as Non-Executive Independent Directors of the Company at the Extra Ordinary General Meeting of the company held on 2<sup>nd</sup> April, 2024
- Duly passed Special Resolutions for appointment of (a) Mr. Aditya V. Patel (DIN: 07103812) (b) Ms. Birva Chirag Patel (DIN: 07203299) as Whole Time Directors of the Company, liable to retire by rotation, at the Extra Ordinary General Meeting of the company held on 2<sup>nd</sup> April, 2024.
- Duly passed Special Resolution enabling Initial Public Offer of Equity Shares at the Extra Ordinary General Meeting of the company held on 2<sup>nd</sup> April, 2024. The Company has further filed Draft Red Herring Prospectus dated 17<sup>th</sup> February, 2025 with the Securities and Exchange Board of India and is in process of undertaking initial public offering of Equity Shares of the Company.
- Duly passed Special Resolution for re-appointment of Mr. Birju Maheshbhai Patel (06803409) as Non-Executive Independent Director of the Company for a second Term of 5 (Five) consecutive years at the 42<sup>nd</sup> Annual General Meeting of the company held on 6<sup>th</sup> June, 2024.
- Duly passed Special Resolution for increasing the aggregate limit of Investment by NRIs & OCIs in the Company from 10% to 24% of the paid-up equity share capital of the company at the 42<sup>nd</sup> Annual General Meeting of the company held on 6<sup>th</sup> June, 2024.
- Duly passed Special Resolutions for (a) approval of Employee Stock Option Plan (M&B Engineering Limited Employee Stock Option Plan 2024) (b) approval for extension and grant of Employee Stock Option to the eligible employees of subsidiary company(ies) at the 42<sup>nd</sup> Annual General Meeting of the company held on 6<sup>th</sup> June, 2024.
- Duly passed Special Resolution for Alteration of Articles of Association of the Company by way of replacement at the 42<sup>nd</sup> Annual General Meeting of the company held on 6<sup>th</sup> June, 2024.





- Duly passed Ordinary Resolution for increase in its Authorised Share capital of the Company from Rs. 75.00 crores divided into 7,50,00,000 Equity Shares of Rs. 10/- each to Rs. 80.00 crores divided into 8,00,00,000 Equity Shares of Rs. 10/- each at the 42<sup>nd</sup> Annual General meeting held on 6<sup>th</sup> June, 2024.
- Duly passed Special Resolution to obtain fresh approval of shareholders enabling Initial Public Offer of Equity Shares at the Extra Ordinary General Meeting of the company held on 12<sup>th</sup> February, 2025.



Place: Ahmedabad  
Date: 14<sup>th</sup> July, 2025

FOR KASHYAP R. MEHTA & ASSOCIATES  
COMPANY SECRETARIES

KASHYAP R. MEHTA  
PROPRIETOR  
FCS-1821 : COP-2052 : PR-5709/2024  
FRN: S2011GJ166500  
UDIN : F001821600787903

**Note:** This report is to be read with our letter of even date which is annexed as **Annexure 1** and forms an integral part of this report.

**Disclaimer:** We have conducted the assignment by examining the Secretarial Records including Minutes, Documents, Registers and other records etc., and some of them received by way of electronic mode from the Company and could not be verified from the original records. The management has confirmed that the records submitted to us are true and correct. This Report is limited to the Statutory Compliances on laws / regulations / guidelines listed in our report which have been complied with by the Company pertaining to Financial Year 2024-25. We are not commenting on the Statutory Compliances whose due dates are extended by Regulators from time to time or still there is time line to comply with such compliances.



Annexure - 1

To,  
The Members,  
**M&B Engineering Limited**

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

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

FOR KASHYAP R. MEHTA & ASSOCIATES  
COMPANY SECRETARIES



Place: Ahmedabad  
Date: 14<sup>th</sup> July, 2025

**KASHYAP R. MEHTA**  
**PROPRIETOR**  
FCS-1821 : COP-2052 : PR-5709/2024  
FRN: S2011GJ166500  
UDIN: F0018216000787903



## ANNEXURE -C

## ANNUAL REPORT ON CSR ACTIVITIES

Sr. No.	Particulars	Information																				
1	Brief outline on CSR Policy of the Company	The Company aims to demonstrate its social responsibility with special emphasis on sectors like education, healthcare & sanitation, women empowerment, arts & sports and environmental sustainability and other spheres as decided by the Board mainly for Promoting Health/Medical and Education.																				
2	The Composition of the CSR Committee																					
	<table><tr><th>Sl. No.</th><th>Name of Director</th><th>Designation / Nature of Directorship</th><th>Number of meetings of CSR Committee held during the year</th><th>Number of meetings of CSR Committee attended during the year</th></tr><tr><td>1</td><td>Malav G. Patel</td><td>Chairman of CSR Committee &amp; Joint Managing Director</td><td>1</td><td>1</td></tr><tr><td>2</td><td>Sonal V. Ambani</td><td>Member of CSR Committee &amp; Independent Director</td><td>1</td><td>1</td></tr><tr><td>3</td><td>Birva C. Patel</td><td>Member of CSR Committee &amp; Whole Time Director</td><td>1</td><td>1</td></tr></table>	Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year	1	Malav G. Patel	Chairman of CSR Committee & Joint Managing Director	1	1	2	Sonal V. Ambani	Member of CSR Committee & Independent Director	1	1	3	Birva C. Patel	Member of CSR Committee & Whole Time Director	1	1	
Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year																		
1	Malav G. Patel	Chairman of CSR Committee & Joint Managing Director	1	1																		
2	Sonal V. Ambani	Member of CSR Committee & Independent Director	1	1																		
3	Birva C. Patel	Member of CSR Committee & Whole Time Director	1	1																		
3	Provide the web-link(s) where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.	<a href="http://www.mbel.in">www.mbel.in</a>																				
4	Provide the executive summary along with web-link(s) of Impact Assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.	Not Applicable																				
n5	a) Average net profit of the company as per sub-section (5) of section 135.	Rs. 49.81 Crore																				
	b) Two percent of average net profit of the company as per sub-section (5) of section 135.	Rs. 99.61 Lakh																				
	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 2024-25, if any	Rs. 1.22 Lakh																				
	e) Total CSR obligation for the financial year 2024-25 [(b)+(c)-(d)].	Rs. 98.39 Lakh																				



6.	(a)	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project).				Rs. 100.00 Lakh		
	(b)	Amount spent in Administrative Overheads.				Nil		
	(c)	Amount spent on Impact Assessment, if applicable.				Not Applicable		
	(d)	Total amount spent for the Financial Year 2024-25[(a)+(b)+(c)].				Rs. 100.00 Lakh		
	(e) CSR amount spent or unspent for the Financial Year:							
		Total Amount Spent for The Financial Year 2024-25	Amount Unspent (in Rs.)					
			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	
		Rs. 100.00 Lakh	Nil	N.A.	---	Nil	N.A.	
(a) Excess amount for set off, if any: -								
		Sr. No.	Particulars				Amount (in Rs.)	
		(1)	(2)				(3)	
		(i)	(a) Two percent of average net profit of the company as per sub-section (5) of section 135				Rs. 99.61 Lakh	
			(b) Amount available for set off from FY 2023-24				Rs. 1.22 Lakh	
			(a)-(b) Total CSR obligation for the financial year 2024-25				Rs. 98.39 Lakh	
		(ii)	Total amount spent for the Financial Year 2024-25				Rs. 100.00 Lakh	
		(iii)	Excess amount spent for the financial year [(ii)-(i)]				Rs. 1.61 Lakh	
		(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)]				Rs. 1.61 Lakh	
7.	(a) Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:							
	1	2	3	4	5	6	7	8
	Sr. No.	Preceding Financial Years	Amount transferred to Unspent CSR Account under sub-section	Balance Amount in Unspent CSR Account under sub-section (6) of section 135	Amount Spent in the Financial Year	Amount transferred to a fund as 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 year (in Rs)	Deficiency, if any



**Director's Report – 2024-25**

		(6) of section 135. (in Rs.)	(in Rs.)		Amount (in Rs)	Date of Transfer		
1	FY-1 (2023-24)	Nil	Nil	Nil	NIL	NIL	Nil	Nil
2	FY-2 (2022-23)	NIL	NIL	NIL	NIL	NIL	NIL	NIL
3	FY-3 (2021-22)	NIL	NIL	NIL	NIL	NIL	NIL	NIL

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

If Yes, enter the number of Capital assets created/ acquired - Not Applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity / Authority/ Beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration number, if applicable	N a m e	Registered Address
---	---	---	---	---	---	--	---

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

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

On behalf of the Board of Directors,

Place: Ahmedabad  
Date: 14<sup>th</sup> July, 2025



*Chirag H. Patel*  
Chirag H. Patel  
Joint Managing Director  
DIN:00260514

*Mr. Malav G. Patel*  
Mr. Malav G. Patel  
Chairman- CSR Committee  
DIN:00260602

*Girish M. Patel*  
Girish M. Patel  
Whole Time Director  
DIN: 00261624



## ANNEXURE –D

**Form AOC-1**

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

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

**Part "A": Subsidiaries**

(Rs. In Lakh)

Sr. No.	Particulars	Details	
1.	Name of the subsidiary	<b>Phenix Construction Technologies Inc. (USA)</b>	<b>Phenix Building Solutions India Private Limited (India)</b>
2.	-Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same As Holding Company	Same As Holding Company
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Reporting currency – 1 US\$ Exchange rate – Rs. 85.48	N.A
4.	Share capital	17.17	5.00
5.	Reserves & surplus	-1053.53	264.77
6.	Total assets	695.86	3517.77
7.	Total Liabilities	1732.22	1926.81
8.	Investments	-	-
9.	Turnover	6152.34	8820.90
10.	Profit before taxation	127.25	228.65
11.	Provision for taxation	-	65.77
12.	Profit after taxation	127.25	163.15
13.	Proposed Dividend	-	-
14.	% of shareholding	100%	100%

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

- Names of subsidiaries which are yet to commence operations - NIL
- Names of subsidiaries which have been liquidated or sold during the year- NIL



Part "B": Associates and Joint Ventures - NIL



Place: Ahmedabad  
Date: 14<sup>th</sup> July, 2025


for and on behalf of Board of Directors of  
M&B Engineering Limited


  
Chirag H. Patel  
Joint  
Managing Director  
DIN:00260514

  
Mahav G. Patel  
Joint Managing Director  
DIN:00260602

  
Pankaj Naresh  
Chief Executive Officer

  
Mayur S. Patel  
Chief Executive Officer

  
Keyur B. Shah  
Chief Financial Officer

  
Palak D. Parekh  
Company Secretary



**M & B ENGINEERING LIMITED****[CIN: U45200GJ1981PLC004437]****Registered Office:** MB House, 51, Chandroda Society, Stadium Road, Ahmedabad – 380 014 (Gujarat)**FORM MGT-12****ATTENDANCE/ BALLOT FORM**

1	Name and Address of the Sole/First named Shareholder	
2	Name(s) of the Joint Holder(s) (if any)	
3	Registered Folio No./ DPID-Client ID	
4	Number of Shares(s) held	
5	I/We hereby exercise my/our attendance at the meeting and vote(s) in respect of the Resolutions set out in the Notice of 43 <sup>rd</sup> Annual General Meeting (AGM) of the Company held on Tuesday, the 15 <sup>th</sup> July, 2025, by placing the tick (✓) mark at the appropriate box below:	

Resoluti on No.	Resolutions	No. of Shares	(FOR) I/We assent to the resolution	(AGAINST) I/We dissent the resolution
	<b>Ordinary Businesses</b>			
1	Adoption of the Audited Financial Statements of the Company for the financial year ended 31 <sup>st</sup> March, 2025, the reports of the Board of Directors and Auditors thereon.			
2	Re-appointment of Mr. Vipinbhai Kantilal Patel (DIN: 00260734), liable to retire by rotation and being eligible, offers himself for re-appointment.			
	<b>Special Businesses</b>			
3	Consideration of Remuneration payable to Cost Auditors of the Company pursuant to Section 148 of the Companies Act, 2013.			
4	Appointment of M/s. Kashyap R. Mehta & Partners, Company Secretaries, Ahmedabad (ERN: P2025GJ106000) (Peer Review Number: 6827/2025) as Secretarial Auditor of the company for a period of 5 Years			
5	Increase in Remuneration of Ms. Diya Patel, holding an Office or Place of Profit of the Company			
6	Appointment of Mr. Sanjay Shaileshbhai Majmudar (DIN: 00091305) as a Non – Executive Non- Independent Director, liable to retire by rotation			
7	Continuation of directorship of Mr. Vipinbhai Kantilal Patel (DIN: 00260734), aged 77 years, as a Non-Executive Non-Independent Director, liable to retire by rotation			
8	Re-appointment of Mr. Chirag Hasmukhbhai Patel (DIN: 00260514) as a Joint Managing Director for a period of 3 Years, not liable to Retire by Rotation			





**INDEPENDENT AUDITORS' REPORT**

To the Members of M & B Engineering Limited

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

**Opinion**

We have audited the accompanying standalone financial statements of **M & B Engineering Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including other comprehensive income), statement of changes in equity and the Statement of Cash Flows for the year then ended, and notes to standalone financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").


In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the company as at March 31, 2025, Profit and other comprehensive income, changes in equity and its Cash flows for the year ended on that date.

**Basis for Opinion**

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

**Other Information**

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report, but does not include the financial statements and our auditors' report thereon.

 Talati & Talati LLP, a Limited Liability Partnership bearing LLP identification NO. AAO-8149

AMBICA CHAMBERS, NEAR OLD HIGH COURT, NAVRANGPURA, AHMEDABAD 380 009.

TEL : 2754 4571 / 72 / 74, [www.talatiandtali.com](http://www.talatiandtali.com)

Also at : VADODARA (0265) 235 5053 / 73 • SURAT (0261) 236 1236

MUMBAI (022) 49796144 • DELHI (011) 3574 1918 • KOCHI (0484) 640 0102



Our Opinion on the financial statements does not cover the other information and we and not express any form of assurance and 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 in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Management's and Board of Directors' Responsibilities for the Standalone Financial Statements**

The Company's management and Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standard (IND AS) specified under Section 133 of the Act. 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 standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

#### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

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





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

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

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

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





## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A", a statement on the matters specified in paragraph 3 and 4 of the order.
2. (A) As required by section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act,
  - e. On the basis of written representations received from the directors as on 31<sup>st</sup> March, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2025 from being appointed as a director in terms of section 164(2) of the Act;
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - g. With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - (a) The Company has no pending litigations on its financial position in its standalone financial statements;
    - (b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - (c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.





(d)(i) 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

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

(ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

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

(iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under subclause (d) (i) and (d) (ii) contain any material misstatement.

h. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.





- i. Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the financial year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares.

Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with or audit trail not preserved by the company as per the statutory requirements for record retention.

- j. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

- In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

Place of Signature: Ahmedabad  
Date: July 14, 2025

For TALATI & TALATI LLP  
Chartered Accountants  
(Firm Reg. No: 110758W/W100377)



(Umesh Talati)  
Partner  
Membership No. 034834  
UDIN: 25034834B MTAUE3337



**ANNEXURE – A to the Independent Auditor's report on the standalone financial statements of M & B Engineering Limited for the year ended 31 March 2025**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) (A) The company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
- (B) The company is maintaining proper records showing full particulars of intangible assets.
- (b) All the assets have not been physically verified by the management during the year but there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the 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 are held in the name of the company.
- (d) The company follows cost model, therefore the provision of clause (i) (d) of this report are not applicable to the company.
- (e) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable, and procedures and coverage as followed by management is appropriate. No discrepancies were noticed on verification between the physical stocks and the books records that were 10% or more in the aggregate for each class of Inventory.
- (b) The company has working capital limits in excess of five crore rupees, from banks or financial institutions on the basis of security of current assets and the quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made investments in, granted interest free unsecured loans to companies and other parties in respect of which the requisite information is as below.
- a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans to subsidiaries as below:





Particulars	Loans (Rs in Lacs)
Aggregate amount during the year	
- Subsidiaries*	1,771.24
Balance outstanding as at balance sheet date	
- Subsidiaries*	677.92

\*As per the Companies Act, 2013

b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made and the terms and conditions of the loans granted during the year are, prima facie, not prejudicial to the interest of the Company. The Company has not provided any guarantee or security or granted any advances in the nature of loans during the year.

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, the loans given are repayable on demand, thus clause (c) of Para III is not applicable to the company.

d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the loans given are repayable on demand thus clause (d) of Para III is not applicable to the company.

e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there were no loans which had fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has granted loans which are payable on demand. The aggregate amount and percentage to total loans granted is as under:

Particulars	All Parties (Rs in Lacs)	Promoters (Rs in Lacs)	Related Parties (Rs in Lacs)
Aggregate amount of loans/advances in nature of loan			
- Repayable on Demand (A)	704.21	-	704.21
- Agreement does not specify any terms or period of repayment (B)	-	-	-
Total (A+B)	704.21	-	704.21
Percentage of loans/advances in nature of loans to the total loans	100%	-	100%





- (iv) The Company has complied with the provision of Section 185 & 186 of Companies Act, 2013 with respect of loans, investments and guarantee made.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit and deemed deposit and hence the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act and the Companies (Acceptance of Deposits) Rules, 2014 with regard to the deposits accepted are not applicable to the Company. Therefore, the provisions of Clause (v) of paragraph 3 of the Order are not applicable to the Company. According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal.
- (vi) We have broadly reviewed the books of account maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
- (vii) In respect of Statutory dues:
- (a) According to the records of the company, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including Goods and Services Tax, Provident fund, Income-tax, Sales-tax, Wealth-tax, Service tax, Custom duty, Excise duty, Cess and other material statutory dues applicable to it. Further according to the information and explanations given to us, no undisputed amounts payable in respect of Income-tax, Wealth-tax, Service tax, Sales Tax, Customs Duty, Excise Duty and Goods and Services Tax, were outstanding, as at 31<sup>st</sup> March, 2025 for a period of more than six months from the date they become payable.
- (b) According to the records of the Company, there are no statutory dues, which have not been deposited on account of any dispute.
- (viii) In our opinion and according to the information and explanations given to us, no transactions have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961), hence para 3 clause (viii) of CARO is not applicable.
- (ix) (a) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) In our opinion and according to the information and explanations given to us, the company has not been declared as willful defaulter by any bank or financial institution or other lender.
- (c) In our opinion and according to the information and explanations given to us, the term loans were applied for the purpose for which the loans were obtained.





- (d) In our opinion and according to the information and explanations given to us, there are no funds raised on short term basis which have been utilized for long term purposes.
- (e) In our opinion and according to the information and explanations given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) In our opinion and according to the information and explanations given to us, the company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) (a) The company has not raised monies by way of Initial Public Offer or Further Public Offer. Hence clause (x)(a) is not applicable to the company.
- (b) According to the records of the company, the company has neither raised any monies by way of preferential allotment and private placement. Hence, clause (x)(b) is not applicable to the company.
- (xi) (a) Based on the audit procedures performed and representation obtained from management we report that, no case of fraud on or by the Company has been noticed or reported for the year under audit.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.
- (xii) In our opinion, and to the best of our information and according to the explanations provided by the management, we are of the opinion that the company is not a Nidhi Company. Hence, in our opinion, the requirements of clause (xii) hence in our opinion requirement of subclause (c) does not apply to the Company.
- (xiii) As per the information and explanations received to us, all the transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable, the relevant details have been disclosed in the financial statements as required by the applicable accounting standards. Identification of related parties were made and provided by the management of the Company.
- (xiv) In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business. We have considered the internal audit reports of the company issued till date, for the period under audit.





- (xv) The Company has not entered into any non-cash transactions with directors or persons connected with him. Therefore, the provisions of Clause (xv) of paragraph 3 of the Order is not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore, the provisions of Clause (xvi) (b) (c) & (d) of paragraph 3 of the Order is not applicable to the Company.
- (xvii) The Company has not incurred a cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditor during the year.
- (xix) On the basis of the financial ratios disclosed in Note-43 to the standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- (b) There are no ongoing projects with regard to CSR. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year
- (xxi) This being the standalone financial statements of the Company, hence the provisions of Clause (xxi) of paragraph 3 of the order are not applicable to the Company.

Place of Signature: Ahmedabad  
Date: July 14, 2025

For TALATI & TALATI LLP  
Chartered Accountants  
(Firm Reg. No: 110758W/W100377)



(Umesh Talati)  
Partner  
Membership No. 034834  
UDIN: 25034834BMIAVE 3337





## **ANNEXURE 'B' TO THE AUDITOR'S REPORT**

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

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

#### **Opinion**

We have audited the internal financial controls over financial reporting of M&B Engineering Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

#### **Management's and Board of Directors' Responsibility for Internal Financial Controls**

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

#### **Auditors' Responsibility**

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





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

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

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone 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 standalone 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 unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

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

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

Place of Signature: Ahmedabad  
Date: July 14, 2025

For TALATI & TALATI LLP  
Chartered Accountants  
(Firm Reg. No: 110758W/W100377)

  
(Umesh Talati)  
Partner  
Membership No. 034834  
UDIN: 25034834BMIAUE3337





**M & B ENGINEERING LTD**  
**STANDALONE BALANCE SHEET AS AT MARCH 31, 2025**

(INR in Lacs)

PARTICULARS	Note No.	As at	As at
		31st March 2025	31st March 2024
<b>ASSETS :</b>			
<b>NON CURRENT ASSETS :</b>			
Property Plant & Equipment	2(A)	16,854.01	7,543.47
Capital Work in Progress	2(B)	217.57	6,622.63
Intangible assets	2(C)	238.07	112.86
Right of use assets	3	454.54	53.60
Investments in subsidiaries, associates and Joint venture	4	1,344.17	1,344.17
<b>Financial Assets</b>			
-(i) Non Current Investment	5(A)	510.62	689.88
-(ii) Loans	5(B)	30.00	30.00
-(iii) Other financial assets	5(C)	439.77	334.94
<b>Total Non Current Assets</b>		<b>20,088.75</b>	<b>16,731.55</b>
<b>CURRENT ASSETS :</b>			
Inventories	6	32,237.64	19,289.60
<b>Financial Assets</b>			
-(i) Trade Receivables	7	16,561.70	12,078.33
-(ii) Cash and cash equivalents	8(A)	2,617.64	6,321.31
-(iii) Bank Balance other than above	8(B)	5,414.88	2,578.81
-(iv) Loans	9	704.21	980.70
-(v) Other Current Financial Assets	10	45.57	23.75
Other Current Assets	11	5,773.75	4,154.27
<b>Total Current Assets</b>		<b>63,355.39</b>	<b>45,426.77</b>
<b>TOTAL :</b>		<b>83,444.14</b>	<b>62,158.32</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY:</b>			
Equity Share Capital	12	5,000.00	5,000.00
Other Equity	13	26,443.11	19,148.92
<b>Total Equity</b>		<b>31,443.11</b>	<b>24,148.92</b>
<b>NON CURRENT LIABILITIES :</b>			
<b>Financial Liabilities</b>			
-(i) Borrowings	14	5,421.31	4,279.31
-(ii) Lease Liability	15	364.38	20.14
Deferred Tax Liability	16	654.17	435.33
<b>Total Non Current Liabilities</b>		<b>6,439.86</b>	<b>4,734.78</b>
<b>CURRENT LIABILITIES :</b>			
<b>Financial Liabilities</b>			
-(i) Short Term Borrowings	17	13,191.98	16,095.82
-(ii) Lease Liabilities	18	100.06	44.27
-(iii) Trade Payables	19	21,491.02	9,378.10
-(iv) Other financial liabilities	20	1,335.83	1,159.35
Short Term Provisions	21	1,244.44	1,032.58
Other current liabilities	22	8,197.84	5,564.50
<b>Total Current Liabilities</b>		<b>45,561.17</b>	<b>33,274.62</b>
<b>TOTAL :</b>		<b>83,444.14</b>	<b>62,158.32</b>

Significant Accounting Policies

1

The accompanying notes form an integral part of these financial statements

As per our report of even date attached,

For and on behalf of Board of Directors

For Talati & Talati LLP  
Chartered Accountants  
(Firm Reg. No : 110758W/W100377)

Chirag Harekubhai Patel  
Joint Managing Director  
DIN: 00260514

Malav Girishbhai Patel  
Joint Managing Director  
DIN: 00260602

Umesh Talati  
(Partner)  
Membership Number : 034834

Pankaj Narash  
Chief Executive Officer

Mayur Satishbhai Patel  
Chief Executive Officer

Keyur Bachubhai Shah  
Chief Financial Officer  
Place : Ahmedabad  
Date : July 14, 2025

Palak Dilipbhai Parekh  
Company Secretary

Place : Ahmedabad  
Date : July 14, 2025





**M & B ENGINEERING LTD**  
**STANDALONE STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2025**

(INR in Lacs)

PARTICULARS	Note No.	2024-25	2023-24
<b>A. INCOME :</b>			
Revenue From Operations	23	90,915.69	78,721.36
Other Income	24	875.76	1,355.51
<b>TOTAL INCOME :</b>		<b>91,791.45</b>	<b>80,076.87</b>
<b>B. EXPENDITURE :</b>			
Cost of Materials Consumed & Operational Expenses	25 (A)	61,919.04	57,133.43
Purchase of Stock in Trade	25 (B)	-	-
Inter Unit Purchase / (Sale)		-	-
Changes in Inventories	25 (B)	(255.69)	(237.38)
Employee benefits expenses	26	9,005.70	7,768.66
Finance Cost	27	1,967.04	2,289.50
Depreciation & Amortization	2 & 3	1,247.59	876.60
Other expenses	28	8,053.67	5,942.58
<b>TOTAL EXPENSES :</b>		<b>81,937.35</b>	<b>73,773.39</b>
<b>Profit Before Tax : (PBT) :</b>		<b>9,854.10</b>	<b>6,303.48</b>
<b>LESS/[ADD] : TAX EXPENSES :</b>			
Current Tax		2,234.52	1,548.54
Deferred Tax Liability / Asset		218.83	(51.60)
<b>Total Tax Provision :</b>		<b>2,453.35</b>	<b>1,496.94</b>
<b>Profit (loss) for the period from continuing operations :</b>		<b>7,400.75</b>	<b>4,806.54</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss			
Remeasurements of the employee defined benefit plan (Net of tax)		(79.74)	(82.50)
Income Tax effect on the above		(26.82)	(27.75)
<b>Total of Other Comprehensive Income for the year</b>		<b>(106.56)</b>	<b>(110.25)</b>
<b>Total Comprehensive Income for the year</b>		<b>7,294.19</b>	<b>4,696.29</b>
<b>Earnings per equity share of face value of INR 10 each</b>			
Basic and Diluted (in INR)	29	14.80	9.61

Significant Accounting Policies & Notes to Accounts

1

The accompanying notes form an integral part of these financial statements

As per our report of even date attached,

For Talati & Talati LLP  
Chartered Accountants  
(Firm Reg. No : 110758W/W100377)

Umesh Talati  
(Partner)  
Membership Number : 034834

Place : Ahmedabad  
Date : July 14, 2025

For and on behalf of Board of Directors

Chirag Hasmukhbhai Patel  
Joint Managing Director  
DIN: 00260514

Pankaj Naresh  
Chief Executive Officer

Keyur Bhatubhai Shah  
Chief Financial Officer  
Place : Ahmedabad  
Date : July 14, 2025

Malav Girishbhai Patel  
Joint Managing Director  
DIN: 00260602

Mayur Satishbhai Patel  
Chief Executive Officer

Palak Dilipbhai Parekh  
Company Secretary





**M & B ENGINEERING LTD**  
**STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2025**

(RM in Lacs)

PARTICULARS	Year ended March 31, 2025	Year ended March 31, 2024
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :-</b>		
Net profit before taxation and extraordinary items	8,854.58	6,303.48
Add/(Less): Other Comprehensive Income	(105.59)	(110.25)
	8,747.99	6,193.23
Adjustments for :-		
Depreciation and Amortisation	1,247.59	876.60
[ Gain ] / [ Loss on Liquid Fund ] net ]	(46.79)	(847.94)
Finance cost paid	1,504.09	2,280.02
Interest income	(511.03)	(564.31)
Interest on Lease Liabilities	32.95	9.48
Loss/(Profit) on Sale of Assets	13.58	(4.06)
Profit on Sale of Investments	(40.71)	(17.75)
Unrealised loss [gain] of fair value on equity instruments	(47.30)	(133.08)
Dividend Income	(5.53)	(5.16)
Interest Income on Security Deposits	(16.89)	(35.65)
Total	2,969.18	1,958.15
Operating profit before working capital changes	12,307.70	8,151.38
Adjustments for :-		
[ Increase ] / [ Decrease in trade and other receivables	(9,108.89)	457.22
[ Increase ] / [ Decrease Inventories	(12,948.04)	(2,505.76)
Increase / [ Decrease ] in trade payables & other liabilities	12,112.92	(3,650.60)
Increase / [ Decrease ] in Other current liabilities	2,633.34	(606.09)
Increase / [ Decrease ] in Other Financial liabilities	476.48	259.24
Increase / [ Decrease ] in Short Term Provision	44.62	88.60
Total	(7,089.07)	(6,377.39)
Cash generated from operations	5,218.63	1,773.99
Direct taxes paid [ Net of refunds ]	(2,007.58)	(1,857.14)
	(2,007.58)	(1,857.14)
Cash flow before extraordinary items		
Extraordinary income / [ expenditure ]		
<b>NET CASH FLOW FROM OPERATING ACTIVITIES (A)</b>	3,211.07	(83.15)
<b>CASH FLOW FROM INVESTING ACTIVITIES :-</b>		
Purchase of fixed assets	(4,219.83)	(7,791.51)
Sale of Investment (Net)	267.07	(833.41)
Proceeds from Liquid Fund [ net ]	46.79	607.94
Sale of Fixed Assets	21.07	14.11
Loans and advances	276.49	340.85
Dividend Income	5.53	5.16
Interest Received	511.03	564.31
<b>NET CASH FROM INVESTING ACTIVITIES (B)</b>	(3,101.65)	(7,252.35)
<b>CASH FLOW FROM FINANCING ACTIVITIES :-</b>		
Proceeds / [ Repayment ] of Borrowings [ net ]	(3,761.84)	1,887.13
Proceeds from Term Loan	2,000.00	4,410.00
[ Repayment ] of Lease liabilities and interest on lease liabilities	(84.21)	(71.62)
Interest on Lease Liabilities paid	(32.95)	(9.48)
Finance cost paid	(1,994.09)	(2,280.02)
<b>NET CASH USED IN FINANCING ACTIVITIES (C)</b>	(3,813.09)	3,936.01
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	(3,703.67)	(3,399.49)
Cash and cash equivalents at the beginning of the year	6,321.31	9,721.40
Cash and cash equivalents at the close of the year	2,617.64	6,321.31

Components of cash and cash equivalents	As at 31 March 2025	As at 31 March 2024
Balances with banks in Current Accounts	217.33	1,455.80
Cash on hand	20.68	14.63
Other Bank Balances :		
Balances with Banks in Fixed Deposits	2,379.65	4,946.28
In Liquid Funds	-	505.00
<b>Net Cash and Cash Equivalents</b>	2,617.64	6,921.31

The Cash Flow Statement has been prepared under the indirect method as set out in Ind AS 7 on Cash Flow Statements notified under Section 133 of The Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standard) Rules 2015 (as amended).

As per our report of even date attached,

For Talati & Talati LLP  
Chartered Accountants  
(Firm Reg. No : 1167596/W/100377)

Unesh Talati  
(Partner)  
Membership Number : 034836

For and on behalf of Board of Directors

Chirag Parmalshah Patel  
Joint Managing Director  
DIN: 0026514

Pratik Nargis  
Chief Executive Officer

Kayur Bachubhai Shah  
Chief Financial Officer  
Place : Ahmedabad  
Date : July 14, 2025

Mulay Girdharshah  
Joint Managing Director  
DIN: 00260922

Mayur Sakthibhai Patel  
Chief Executive Officer

Pratik Dilipkumar Parekh  
Company Secretary

Place : Ahmedabad  
Date : July 14, 2025





**M & B ENGINEERING LTD**  
**STANDALONE STATEMENT OF CHANGES IN EQUITY (SOCE)**

(INR in Lacs)

SHARE CAPITAL :		
	No. of Shares	Amount
Issued, Subscribed and Paid up Share Capital		
Equity Shares of Rs. 10/- each		
As At 01-Apr-23	2,00,00,000	2,000
Add: Equity shares issued during the year	3,00,00,000	3,000
As At 31-Mar-24	5,00,00,000	5,000
Add: Equity shares issued during the year		
As At 31-Mar-25	5,00,00,000	5,000
<b>Total :</b>	<b>5,00,00,000</b>	<b>5,000</b>

(INR in Lacs)

Particulars	General Reserve	Profit and Loss Account	Total Profit and Loss	Reimbursement of defined benefit plans	Total
Balance as at 1st April 2023	246.50	17,212.13	17,452.63	-	17,452.63
Less : Utilised for issue of bonus shares	-	(3,000.00)	(3,000.00)	-	(3,000.00)
Profit for the year	-	4,806.54	4,806.54	-	4,806.54
Other Comprehensive Income for the year	-	-	-	(110.25)	(110.25)
<b>Total Comprehensive Income for the year</b>	<b>-</b>	<b>4,806.54</b>	<b>4,806.54</b>	<b>(110.25)</b>	<b>4,696.39</b>
Transfer to Retained Earnings	-	(110.25)	(110.25)	(110.25)	-
<b>Balance as at 31st March 2024</b>	<b>246.50</b>	<b>28,908.42</b>	<b>29,148.92</b>	<b>-</b>	<b>29,148.92</b>
Balance as at 1st April 2024	246.50	18,908.42	19,148.92	-	19,148.92
Profit for the year	-	7,406.75	7,406.75	-	7,406.75
Other Comprehensive Income for the year	-	-	-	(106.50)	(106.50)
<b>Total Comprehensive Income for the year</b>	<b>246.50</b>	<b>26,309.17</b>	<b>26,549.67</b>	<b>(106.50)</b>	<b>26,443.17</b>
Transfer to Retained Earnings	-	(106.50)	(106.50)	(106.50)	-
<b>Balance as at 31st March 2025</b>	<b>246.50</b>	<b>28,202.63</b>	<b>28,443.13</b>	<b>-</b>	<b>28,443.13</b>

As per our report of even date attached,

For and on behalf of Board of Directors

Chirag Harshabhai Patel  
Joint Managing Director  
DIN: 0020034

Pankaj Marsh  
Chief Executive Officer

Kayal Shashibhai Shah  
Chief Financial Officer  
Place : Ahmedabad  
Date : July 14, 2025

Malay Girishkumar Patel  
Joint Managing Director  
DIN: 00268502

Megha Shashibhai Patel  
Chief Executive Officer

Pankaj Dileepkumar Parikh  
Company Secretary

For Talati & Talati LLP  
Chartered Accountants  
(Firm Reg. No : 110199W/VV100077)

Prakash Talati  
(Partner)  
Membership Number : 024834

Place : Ahmedabad  
Date : July 14, 2025





## 1. Corporate Information

M & B ENGINEERING LIMITED (the Company) was incorporated on 16th June, 1981. The Company's registered office is located at MB House, 51, Chandrodaya Society, Opp Golden Triangle, Stadium Road, Post Navjivan, Ahmedabad, Gujarat, India, 380014. The Company is engaged in the business of Pre-Engineered Metal Buildings (PEB), Structural Steel, Self-Supported Steel Roofing and Components thereof.

## 2. Statement of compliance

The Company's financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and amendments thereto issued by Ministry of Corporate Affairs under section 133 of the Companies Act, 2013. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations require a different treatment.

## 3. Basis of Preparation of Financial Statements

### 3A. Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:



1. Notes to the Standalone Financial Statements : April 2024 to March 2025

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

3B. Functional and Presentation Currency

The standalone financial statements are presented in Indian Rupees, the currency of the primary economic environment in which the Company operates. All the amounts are stated in the nearest rupee in lakhs.

4. Significant Accounting Policies

A. Use of Estimates

The preparation of financial statements are in conformity with the recognition and measurement principles of Ind AS which requires management to make critical judgments, estimates and assumptions that affect the reporting of assets, liabilities, income and expenditure. Estimates and underlying assumptions are reviewed on an ongoing basis and any revisions to the estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key source of estimation of uncertainty at the date of financial statements, which may cause material adjustment to the carrying amount of assets and liabilities within the next financial year, is in respect of:

**1) Useful lives and residual value of property, plant and equipment:** Property, plant and equipment / intangible assets are depreciated / amortized over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortization to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortization for future periods is revised if there are significant changes from previous estimates.

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

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1. Notes to the Standalone Financial Statements : April 2024 to March 2025

**3) Impairment of non-financial assets:** Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount. The recoverable amount of an asset, 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 for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash Flow (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 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.

**4) Employee benefits:** The cost of the defined benefit and long-term employee benefit plans and the present value of the related obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation, a defined benefit and long-term employee benefit obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

**5) Expense Provisions & contingent liabilities:** The assessments undertaken in recognizing provisions and contingencies have been made in accordance with the applicable Ind AS. Provisions are recognized only when: (i) the Company has a present obligation (legal or constructive) as a result of a past event; and (ii) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and (iii) a reliable estimate can be made of the amount of the obligation. Where the effect of time value of money is material, provisions are determined by discounting the expected future cash flows. Contingent liability is disclosed in case of: (i) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and (ii) a present obligation arising from past events, when no reliable estimate is possible.

**6) Valuation of deferred tax :** Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Company's financial statements and the corresponding tax bases used in computation of taxable profit and quantified using the tax rates as per laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax assets are generally recognized for all taxable temporary differences to the extent that is probable that taxable profits will be available against which those deductible temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Transaction or event which is recognized outside profit or loss, either in other comprehensive income or in equity, is recorded along with the tax as applicable.



## **B. Property Plant and Equipment and Intangible Assets**

**Tangible Assets:** Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes all expenses related to the acquisition and installation of Property, Plant and Equipment which comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use and other incidental expenses.

**Capital Work in Progress:** Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost comprises direct cost, related incidental expenses, pre-operative expenses, project expenses and for qualifying assets, borrowing costs capitalized in accordance with the Company's accounting policy.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss.

**Intangible Assets:** Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

## **C. Depreciation and amortization useful life of Property, Plant & Equipment and Intangible Assets**

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. In respect of Tangible assets [other than furniture and fixtures] acquired during the year depreciation/amortization is charged on a written down value basis for "Proflex Systems" division & on straight line basis for "Phenix Construction Technologies" and "Phenix Infra", so as to write off the cost of the assets over the useful lives as prescribed in Schedule II of the Companies Act, 2013. Depreciation on additions / disposals of the assets during the current reporting year is provided on pro-rata basis according to the period during which the assets are put to use. Where the actual cost of purchase of an asset is below INR 5,000/-, the depreciation is provided @ 100 %. Technical Knowhow is to be amortized over the period of 5 years as estimated by the management.

Lease hold land is amortized over the period of lease from the date of commercial production from plant over that lease hold land.





#### **D. Impairment of Assets**

The Company, at each balance sheet date, assesses whether there is any indication of impairment of any asset and / or cash generating unit. If such indication exists, assets are impaired by comparing carrying amount of each asset and / or cash generating unit to the recoverable amount being higher of the net selling price or value in use. Value in use is determined from the present value of the estimated future cash flows from the continuing use of the assets.

#### **E. Foreign Exchange Transactions and Translation**

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. The net gain or loss on account of exchange differences arising on settlement of foreign currency transactions are recognized as income or expense of the period in which they arise. Monetary assets and liabilities denominated in foreign currency as at the balance sheet date are translated at the closing rate. The resultant exchange rate differences are recognized in the statement of profit and loss. Non-monetary assets and liabilities are carried at the rates prevailing on the date of transaction.

#### **F. Inventory**

Materials & Bought outs, Stores and Packing materials, Work in Progress and Finished Goods are valued at lower of cost (Weighted average basis) or net realizable value. Cost includes all direct costs and applicable overheads to bring the goods to the present location and condition net of input tax credit receivable, where ever applicable.

#### **G. Financial Instruments**

##### **I. Financial Assets**

##### **A. recognition and measurement:**

All Financial Assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of Financial Assets, which are not at Fair Value Through Profit or Loss, are adjusted to the fair value on initial recognition. Purchase and sale of Financial Assets are recognized using trade date accounting. However, trade receivables that do not contain a significant financing component are measured at transaction price.

##### **B. Subsequent Measurement**

a) **Financial Assets measured at Amortized Cost (AC):** A Financial Asset is measured at Amortized Cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the Financial Asset give rise to cash flows on specified dates that represent solely payments of principal and interest on the principal amount outstanding.



1. Notes to the Standalone Financial Statements : April 2024 to March 2025

b) **Financial Assets measured at Fair Value Through Other Comprehensive Income (FVTOCI):** A Financial Asset is measured at FVTOCI if it 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 represents solely payments of principal and interest on the principal amount outstanding.

c) **Financial Assets measured at Fair Value Through Profit or Loss (FVTPL):** A Financial Asset which is not classified in any of the above categories are measured at FVTPL. Financial assets are reclassified subsequent to their recognition, if the Company changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date following the changes in business model in accordance with principles laid down under Ind AS 109 – Financial Instruments.

**C. Investment in Subsidiaries.**

The Company has accounted for its investments in Subsidiaries at cost less impairment loss (if any).

**D. Other Equity Investments**

All other equity investments are measured at fair value, with value changes recognized in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'. However, dividend on such equity investments are recognized in Statement of Profit and loss when the Company's right to receive payment is established

**I. Impairment of financial assets**

At each balance sheet date, the Company assesses whether a financial asset is to be impaired. Ind AS 109 requires expected credit losses to be measured through loss allowance. The Company measures the loss allowance for financial assets at an amount equal to lifetime expected credit losses if the credit risk on that financial asset has increased significantly since initial recognition. If the credit risk on a financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for financial assets at an amount equal to 12-month expected credit losses. The Company uses both forward-looking and historical information to determine whether a significant increase in credit risk has occurred.

**ii. Financial Liabilities**

**A. Initial Recognition and Measurement:** All Financial Liabilities are recognized at fair value and in case of borrowings, net of directly attributable cost. Fees of recurring nature are directly recognized in the Statement of Profit and Loss as finance cost.





1. Notes to the Standalone Financial Statements : April 2024 to March 2025

**B. Subsequent Measurement:** Financial Liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**De-recognition of financial assets and liabilities**

The Company derecognizes a financial asset when the contractual right to the cash flows from the asset expires or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction which substantially all the risk and rewards of ownership of the financial asset are transferred. The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired; the difference between the carrying amount of derecognized financial liability and the consideration paid is recognized as profit or loss.

**Offsetting of Financial Instruments**

Financial assets and financial liabilities are offset, and the net amount is reported in financial statements if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

**Cash & Cash Equivalents**

Cash and cash equivalents comprise of cash on hand, cash at banks, short-term deposits and short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**Trade Payables**

Trade payables are amounts due to vendors for purchase of goods or services acquired in the ordinary course of business and are classified as current liabilities to the extent it is expected to be paid within the normal operating cycle of the business.

**Other financial assets and liabilities**

Other non-derivative financial instruments are initially recognized at fair value and subsequently measured at amortized costs using the effective interest method.

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## **H. Revenue Recognition**

The Company recognizes revenue when control over the promised goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is measured based on the transaction price which is consideration adjusted for discounts, rebates, or other similar items, if any, specified in the contracts with the customers. Revenue excludes any amount collected as taxes on behalf of statutory authorities. The Company recognizes revenue, normally, at the point in time when the goods are delivered to customer or when it is delivered to a carrier for export sale, which is when the control over product is transferred to the customer.

All other incomes are accounted on mercantile basis except insurance claim and dividend income, which is account for on receipt basis.

Export Incentives under various schemes are accounted in the year of realization of benefits.

## **I. Employee Benefits**

### **Short-term and other long-term employee benefits:**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized as an expense during the period when the employees render the services.

### **Post-Employment Benefits**

#### **Defined contribution plans:**

The Company's contribution to provident fund considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

#### **Defined benefit plan:**

For defined benefit plan in the form of gratuity fund, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur.

## **J. Leases**

As a lessee, the company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred less any lease incentives received.





1. Notes to the Standalone Financial Statements : April 2024 to March 2025

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

**Short-term leases and leases of low-value assets:**

For short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

**K. Provisions, Contingent Liabilities and Contingent Assets**

A provisions are recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability is not recognized but its existence is disclosed in the financial statements.

**L. Taxation**

The tax expenses for the period comprises of current tax and deferred income tax. Tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognized in the Other Comprehensive Income. In which case, the tax is also recognized in Other Comprehensive Income.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the Income Tax authorities, based on tax rates and laws that are enacted at the Balance sheet date.

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Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax assets are recognized to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilized. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period. The Company offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right and these relate to taxes on income levied by the same governing taxation laws.

#### **M. Borrowing Costs**

Borrowing costs are recognized as an expense in the period in which they are incurred except the borrowing cost attributable to acquisition / construction of qualifying assets are capitalized as a part of the cost of such assets up to the date when such asset is installed and put to use. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

#### **N. Segment Reporting**

The Company deals in Pre-Engineered Buildings, Structure Steels, Steel Roofing and Components thereof and hence requirement of Indian Accounting Standard 108 "Operating Segments" issued by ICAI are not applicable.

#### **O. Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes, if any) by the weighted average number of equity shares outstanding during the period.

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

#### **P. Operating Cycle**

All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of product and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.





NOTE - 2 - PROPERTY, PLANT & EQUIPMENTS

Asset Description	GROSS BLOCK				DEPRECIATION BLOCK				[INR in Lacs]	
	Balance as on 31st April 2024	Additions during the year	Sale / Disposal	Balance as on 31st March 2025	Balance as on 31st April 2024	Depreciation for the year	Adjustment on Sale / Disposal	Balance as on 31st March 2025	31st March 2025	31st March 2024
<b>A. PROPERTY PLANT &amp; EQUIPMENT</b>										
LAND	314.39	-	-	314.39	-	-	-	-	314.39	314.39
LEASEHOLD LAND	1,240.16	0.12	-	1,240.28	-	10.35	-	10.35	1,250.63	1,240.16
FACTORY BUILDING	3,645.16	4,916.11	-	8,561.27	1,480.40	244.39	-	1,724.79	6,836.48	2,164.76
PLANT & EQUIPMENT	9,478.19	4,683.43	15.18	14,146.34	7,107.52	573.38	5.42	7,675.48	6,471.08	2,370.77
ELECTRICAL INSTALLATION	608.71	469.54	0.73	1,077.82	392.87	62.35	0.63	454.67	622.95	215.74
FURNITURE & FIXTURES	306.39	167.80	47.31	426.88	246.18	30.19	39.71	236.66	199.62	60.81
COMPUTER	856.22	48.98	13.28	931.92	433.44	16.27	10.83	448.28	83.04	42.78
OFFICE EQUIPMENTS	317.32	100.01	1.01	416.39	227.51	29.83	10.05	257.37	158.93	89.31
VEHICLES	1,595.17	85.08	34.68	1,645.64	674.10	134.30	13.01	785.39	860.25	901.17
MOTOR BUSES	208.83	-	5.53	203.34	105.01	34.46	3.47	136.00	77.26	103.88
<b>TOTAL PROPERTY, PLANT &amp; EQUIPMENTS:</b>	<b>18,310.80</b>	<b>10,470.75</b>	<b>117.75</b>	<b>28,543.82</b>	<b>10,667.33</b>	<b>1,135.56</b>	<b>85.10</b>	<b>11,709.79</b>	<b>16,454.01</b>	<b>7,543.47</b>
<b>B. CAPITAL WIP</b>										
CAPITAL WORK IN PROGRESS	4,120.13	1,322.77	5,825.33	217.57	-	-	-	-	217.57	4,120.13
PRE-OPERATIVE EXPS TO BE CAPITALISED	2,502.40	-	2,502.50	-	-	-	-	-	-	2,502.50
<b>TOTAL CAPITAL WIP:</b>	<b>6,622.53</b>	<b>1,322.77</b>	<b>8,327.83</b>	<b>217.57</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>217.57</b>	<b>6,622.63</b>
<b>C. INTANGIBLE ASSETS:</b>										
COMPUTER SOFTWARES	973.10	163.94	-	1,137.04	878.54	33.73	-	912.27	224.77	94.56
TECHNICAL KNOW HOW	158.54	-	-	148.54	150.14	5.00	-	155.14	13.50	18.50
<b>TOTAL INTANGIBLE ASSETS</b>	<b>1,131.64</b>	<b>163.94</b>	<b>-</b>	<b>1,295.58</b>	<b>1,028.78</b>	<b>38.73</b>	<b>-</b>	<b>1,067.51</b>	<b>238.27</b>	<b>112.86</b>
<b>TOTAL ASSETS</b>	<b>25,975.07</b>	<b>12,557.46</b>	<b>8,445.58</b>	<b>30,086.95</b>	<b>11,696.11</b>	<b>1,164.29</b>	<b>83.10</b>	<b>12,777.90</b>	<b>17,509.85</b>	<b>24,278.94</b>
<b>PREVIOUS YEAR :</b>	<b>16,126.32</b>	<b>7,791.51</b>	<b>1,02.76</b>	<b>25,975.07</b>	<b>11,012.56</b>	<b>810.41</b>	<b>126.86</b>	<b>11,696.11</b>	<b>14,278.96</b>	<b>7,313.76</b>

2.1. No Intangible Property is held by the Company jointly with others as on the Balance Sheet date.

2.2 : CWIP ageing schedule

CWIP	Amount in CWIP for a period of					Amount in CWIP for a period of			Total 31-03-2024
	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total 31-03-2024	Less than 1 Year	1 - 2 Years	2 - 3 Years	
CWIP	141.49	0.57	2.92	71.59	217.57	6,545.03	5.02	22.41	50.17
<b>Total</b>	<b>141.49</b>	<b>0.57</b>	<b>2.92</b>	<b>72.49</b>	<b>217.57</b>	<b>6,545.03</b>	<b>5.02</b>	<b>22.41</b>	<b>6,622.63</b>

2.3. There are no projects under CWIP/Intangible Assets which are overdue or which have exceeded its planned cost.

2.4. The Company does not have any Investment property as on the Balance Sheet date.

2.5 : Depreciation Expenditure includes 83.20 Lacs for FY 2024-25 and 66.19 Lacs for FY 2023-24 of Amortization of ROU Assets.

**M & B ENGINEERING LTD**  
**NOTES TO THE STANDALONE FINANCIAL STATEMENTS**

**Note 3 - RIGHT OF USE ASSET**

**(INR in Lacs)**

Particulars	Total
<b>Gross Carrying amount</b>	
Balance as at 01st April, 2023	186.28
Additions	-
Disposals	-
Reclassification as held for sale	
Balance as at 31st March, 2024	186.28
Additions	484.24
Disposals	
Reclassification as held for sale	-
Balance as at 31st March, 2025	670.52
<b>Accumulated Amortization</b>	
Balance as at 01st April, 2023	66.49
Additions	66.19
Disposals	-
Reclassification as held for sale	-
Balance as at 31st March, 2024	132.68
Additions	83.30
Disposals	-
Reclassification as held for sale	-
Balance as at 31st March, 2025	215.98
<b>Net carrying amount</b>	
Balance as at 01st April, 2023	119.79
Balance as at 31st March, 2024	53.60
Balance as at 31st March, 2025	454.54

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## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(INR in Lacs)

NOTE - 07 : TRADE RECEIVABLES :		As at 31st March 2025	As at 31st March 2024
Overdue for Six Months		2,934.07	2,568.66
Other		13,627.63	9,489.67
<b>TOTAL :</b>		<b>16,561.70</b>	<b>12,078.33</b>

As on 31st March 2025

Particulars	Outstanding for following periods from due date of payment*					Total
	Not Due	Less than 6 months	6 months - 1 year	1 years - 2 years	2 years - 3 years	More than 3 years
Undisputed trade receivables – considered good	-	13,627.63	1,546.18	1,139.40	192.75	(35.89)
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	-	91.63	-
Disputed trade receivables – considered good	-	-	-	-	-	91.63
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	13,627.63	1,546.18	1,139.40	284.38	(35.89)
<b>Less: Allowance for doubtful trade receivables - Billed</b>	-	-	-	-	-	-
<b>TOTAL :</b>	-	<b>13,627.63</b>	<b>1,546.18</b>	<b>1,139.40</b>	<b>284.38</b>	<b>-35.89</b>
						<b>16,561.70</b>

As on 31st March 2024

Particulars	Outstanding for following periods from due date of payment*					Total
	Not Due	Less than 6 months	6 months - 1 year	1 years - 2 years	2 years - 3 years	More than 3 years
Undisputed trade receivables – considered good	-	9,489.67	1,384.16	682.90	257.50	195.76
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	68.34
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	9,489.67	1,384.16	682.90	257.50	264.10
<b>Less: Allowance for doubtful trade receivables - Billed</b>	-	-	-	-	-	-
<b>TOTAL :</b>	-	<b>9,489.67</b>	<b>1,384.16</b>	<b>682.90</b>	<b>257.50</b>	<b>264.10</b>
						<b>12,078.33</b>



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(INR In Lacs)

NOTE - 4 : INVESTMENTS IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE :		
	As at 31st March 2025	As at 31st March 2024
Trade Investments [Valued at Cost]:		
Un Quoted:		
Investments in Equity Instruments:		
Wholly Owned Subsidiary Companies:		
Phenix Construction Technologies Inc.	17.17	17.17
2500 [As at 31.03.2025 & 31.03.2024 : 2500] Equity Shares of USD 10/- each		
Phenix Building Solutions Pvt. Ltd.	1,327.00	1,327.00
50000 [As at 31.03.2025 & 31.03.2024: 50000] Equity Shares of Rs. 10/- each		
<b>TOTAL :</b>	<b>1,344.17</b>	<b>1,344.17</b>
4.1 Disclosure of Aggregate and Market Value of Investments:		
Aggregate amount of unquoted Investments	1,344.17	1,344.17

NOTE - 5A : NON - CURRENT INVESTMENT :		
	As at 31st March 2025	As at 31st March 2024
Investments in Equity Instruments		
Quoted		
At Fair value through Profit and Loss account		
- IDCI Bank Limited		
18600 [As at 31.03.2025 & 31.03.2024: 18,600] Equity Share of Face Value of Rs 2/- each	250.79	203.35
- Reliance Industries Limited		
738 [As at 31.03.2025 & 31.03.2024: 738] Equity Share of Face Value of Rs 10/- each	9.41	10.97
- Tata Steel Limited		
0 [As at 31.03.2025:0 & as at 31.03.2024: 62,000] Equity Shares of Face Value of Rs 1/- each	-	96.63
- Titan Company Limited		
520 [As at 31.03.2025 & 31.03.2024: 520] Equity Shares of Face Value of Rs 1/- each	15.93	19.77
- Tata Consultancy Services Limited		
300 [As at 31.03.2025 & 31.03.2024: 300] Equity Shares of Face Value of Rs 1/- each	10.82	11.63
- Adani Ports And Special Economic Zone Limited		
2000 [As at 31.03.2025 & 31.03.2024: 2000] Equity Shares of Face Value of Rs 2/- each	23.66	26.84
- Infosys Limited		
800 [As at 31.03.2025 & 31.03.2024: 800] Equity Shares of Face Value of Rs 5/- each	12.57	11.98
- HDFC Bank Limited		
700 [As at 31.03.2025 & 31.03.2024: 700] Equity Shares of Face Value of Rs 1/- each	12.80	10.14
- Samvardhana Shares		
73,600 [As at 31.03.2025: 73600 & 31.03.2024: 100000] Equity Share of Face	96.39	117.10
- Jio Financial Serv		
369 [As at 31.03.2025 & 31.03.2024: 369] Equity Share of Face Value of Rs 10/- each	0.84	1.31
- Bharat Bijlee Ltd.		
700 [As at 31.03.2025 & 31.03.2024: 700] Equity Share of Face Value of Rs 10/- each	20.18	67.37
- Cyient Ltd Shares		
0 [As at 31.03.2025 & 31.03.2024: 2700] Equity Share of Face Value of Rs 5/- each	-	53.50
- Ingersoll Rand India		
1,600 [As at 31.03.2025 & 31.03.2024: 1600] Equity Share of Face Value of Rs 10/-	57.23	58.89
<b>TOTAL :</b>	<b>510.62</b>	<b>689.88</b>
5A.1 Disclosure of Aggregate and Market Value of Investments:		
Aggregate book value of quoted Investments	510.62	689.88
Aggregate Market Value of Investments	510.62	689.88





## M &amp; B ENGINEERING LTD

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(INR in Lacs)

NOTE - 5(B) : LOANS :		
	As at 31st March 2025	As at 31st March 2024
Inter Corporate Deposit	30.00	30.00
<b>TOTAL :</b>	<b>30.00</b>	<b>30.00</b>

NOTE - 5(C) : OTHER FINANCIAL ASSETS :		
	As at 31st March 2025	As at 31st March 2024
Trade and Security Deposits	439.77	334.94
<b>TOTAL :</b>	<b>439.77</b>	<b>334.94</b>

NOTE - 6 : INVENTORIES :		
	As at 31st March 2025	As at 31st March 2024
Materials & Bought Outs	28,070.40	16,112.27
Work in Process	1,009.78	963.77
Finished Goods	1,262.15	1,646.47
Stores & Packing Materials	1,901.31	1,167.09
<b>TOTAL :</b>	<b>32,237.64</b>	<b>19,289.60</b>

## Notes :

Raw material Stock, Semi/finished Stock and Finished Stock is valued at lower of cost (weighted average basis) or net realizable value and taken as certified by the Management. Cost includes all direct costs and applicable overheads to bring the goods to the present location and condition net of input tax credit receivable, wherever applicable.




## M &amp; B ENGINEERING LTD

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(INR in Lacs)

NOTE - 8 (A) : CASH AND BANK BALANCES :		
	As at 31st March 2025	As at 31st March 2024
Cash and Cash Equivalents:		
Balances with banks		
In Current Accounts	217.33	1,455.40
Cash on hand	20.66	14.63
Balances with Banks in Fixed Deposits	1,379.65	4,346.28
In Liquid Funds	-	505.00
<b>TOTAL :</b>	<b>2,617.64</b>	<b>6,321.31</b>

NOTE - 8 (B) : BANK BALANCE OTHER THAN ABOVE :		
	As at 31st March 2025	As at 31st March 2024
Margin Money Deposit & Other Deposits under Lien	5,414.88	2,578.81
<b>TOTAL :</b>	<b>5,414.88</b>	<b>2,578.81</b>

NOTE - 9 : LOANS:		
	As at 31st March 2025	As at 31st March 2024
Loan and advances to related parties	677.92	935.11
Loans and Advances to Employees	26.29	45.59
<b>TOTAL :</b>	<b>704.21</b>	<b>980.70</b>

NOTE - 10 : OTHER CURRENT FINANCIAL ASSETS :		
	As at 31st March 2025	As at 31st March 2024
Interest Receivable	45.57	23.75
<b>TOTAL :</b>	<b>45.57</b>	<b>23.75</b>

NOTE - 11 : OTHER CURRENT ASSETS :		
	As at 31st March 2025	As at 31st March 2024
Unsecured, Considered good		
Others:		
Advances to Suppliers	692.53	1,343.01
Advance income tax (net of provision)	-	59.71
Balance with Government Authorities	3,864.97	2,328.94
Advances to Employees	175.61	55.83
Prepaid Expenses	411.65	420.90
Others	0.27	0.32
Unamortised share issue expenses*	628.72	45.56
<b>TOTAL :</b>	<b>5,773.75</b>	<b>4,154.27</b>

\* During the Year ended 31st March 2025, the Company incurred expenses in connection with the proposed Initial Public Offer (IPO) of equity shares of the Company by way of fresh issue and an offer for sale by the existing shareholders. In relation to the IPO expenses incurred till date, except for listing fees which shall be solely borne by the Company, all other expenses will be shared between the Company and the Selling Shareholders on a pro-rata basis, in proportion to the equity shares issued and allotted by the Company in the fresh issue and the offered shares sold by the selling shareholders in the offer for sale.





**M & B ENGINEERING LTD**  
**NOTES TO THE STANDALONE FINANCIAL STATEMENTS**

NOTE - 12 : SHARE CAPITAL :				
	As at March 31, 2025		As at March 31, 2024	
	No. of Shares	(INR in Lacs)	No. of Shares	(INR in Lacs)
Authorized Share Capital :				
Equity Shares of Rs. 10/- each	7,50,00,000	7,500.00	7,50,00,000	7,500.00
Preference Shares of Rs. 10/- each	50,00,000	500.00	-	-
<b>Total :</b>	<b>8,00,00,000</b>	<b>8,000.00</b>	<b>7,50,00,000</b>	<b>7,500.00</b>
Issued, Subscribed & Fully Paid - up Capital :				
Equity Shares of Rs. 10/- each Per Value of Share (Rs. 10/- each)	5,00,00,000	5,000.00	5,00,00,000	5,000.00
<b>Total :</b>	<b>5,00,00,000</b>	<b>5,000.00</b>	<b>5,00,00,000</b>	<b>5,000.00</b>

1.1 Reconciliation of the number of shares outstanding and the amount of share capital is as under:

Equity Shares	As at March 31, 2025		As at March 31, 2024	
	No. of Shares	(INR in Lacs)	No. of Shares	(INR in Lacs)
At the beginning of the year	5,00,00,000	5,000.00	3,00,00,000	3,000.00
Add : Issued during the year (Refer Note 1.6(a))	-	-	2,00,00,000	2,000.00
Outstanding at the end of the year	5,00,00,000	5,000.00	5,00,00,000	5,000.00

1.2 Terms / Rights attached to the Equity Shares :

The company has only one class of shares referred to as equity shares having a par value of ₹ 10/-. Each holder of equity shares is entitled to one vote per share. 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 the proportion of their share.

1.3 : Shareholders holding more than 5 % Equity holding :				
Name of the Shareholder :	As at March 31, 2025		As at March 31, 2024	
	No. of Shares	% of holding	No. of Shares	% of holding
Chiragbhai H. Patel	1,74,95,000	34.99%	1,75,00,000	35.00%
Malavbhai G. Patel	10,00,000	2.00%	70,00,000	14.00%
Girishbhai M. Patel	1,94,90,000	38.98%	1,35,00,000	27.00%
Bhuvan C. Patel	50,00,000	10.00%	50,00,000	10.00%
Vipinbhai K. Patel	24,99,000	5.00%	25,00,000	5.00%

1.4 Disclosure of Shareholding of Promoters & Promoter's Group :

Disclosure of shareholding of promoters and promoter's group as at March 31, 2025 is as follows:

Shares held by promoters & promoter's group					
Promoter's Name:	As at March 31, 2025		As at March 31, 2024		% change during the year 24-25
	No of Shares	% of total shares	No of Shares	% of total shares	
Chiragbhai H. Patel	1,74,95,000	34.99%	1,75,00,000	35.00%	-0.01%
Malavbhai G. Patel	10,00,000	2.00%	70,00,000	14.00%	-12.00%
Girishbhai M. Patel	1,94,90,000	38.98%	1,35,00,000	27.00%	11.98%
Bhuvan C. Patel	50,00,000	10.00%	50,00,000	10.00%	0.00%
Vipinbhai K. Patel	24,99,000	5.00%	25,00,000	5.00%	0.00%
Late Laxmanbhai V. Patel	10,00,000	2.00%	10,00,000	2.00%	0.00%
Aditya V Patel	14,99,000	3.00%	15,00,000	3.00%	0.00%
Shashin G Patel	10,00,000	4.00%	20,00,000	4.00%	0.00%
MGS Family Trust	3,000	0.01%	-	0.00%	0.00%
MGM Family Trust	3,000	0.01%	-	0.00%	0.00%
Aditya V Patel Family Trust	1,000	0.00%	-	0.00%	0.00%
Vipin K Patel Family Trust	1,000	0.00%	-	0.00%	0.00%
Chirag H Patel Family Trust	5,000	0.01%	-	0.00%	0.00%
	5,00,00,000	100.00%	5,00,00,000	100.00%	

1.5 : As per the records of the Company including its Register of Shareholders/Members & other declarations received from the Shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

1.6 : Information Regarding Issue of Shares in the last 5 Years

	2023-24
(a) Issued, subscribed and fully paid up share capital includes a total of fully paid up way of bonus shares within the last five years. Number of Equity shares of Rs. 10 each	3,00,00,000

(b) The company has not undertaken any buy back of shares.



M & B ENGINEERING LTD

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(INR In Lacs)

NOTE - 13 : OTHER EQUITY:					
Particulars	General Reserve	Profit and Loss Account	Total Profit and Loss	Remeasurement of defined benefit plans	Total
Balance as at 1st April 2023	240.50	17,212.13	17,452.63	-	17,452.60
Less : Utilised for Issue of bonus shares	-	(3,000.00)	(3,000.00)	-	(3,000.00)
Profit for the year	-	4,806.54	4,806.54	-	4,806.54
Other Comprehensive Income for the year	-	-	-	(110.25)	(110.25)
<b>Total Comprehensive Income for the year</b>	-	<b>4,806.54</b>	<b>4,806.54</b>	<b>(110.25)</b>	<b>4,696.29</b>
Dividends					-
Transfer to Retained Earnings		(110.25)	(110.25)	110.25	-
<b>Balance as at 31st March 2024</b>	<b>240.50</b>	<b>18,908.42</b>	<b>19,148.92</b>	<b>-</b>	<b>19,148.92</b>
<b>Balance as at 01st April 2024</b>	<b>240.50</b>	<b>18,908.42</b>	<b>19,148.92</b>	<b>-</b>	<b>19,148.92</b>
Profit for the period		7,400.75	7,400.75	-	7,400.75
Other Comprehensive Income for the period			-	(106.56)	(106.56)
<b>Total Comprehensive Income for the period</b>	<b>-</b>	<b>7,400.75</b>	<b>7,400.75</b>	<b>(106.56)</b>	<b>7,294.19</b>
Transfer to Retained Earnings		(106.56)	(106.56)	106.56	-
<b>Balance as at 31st March 2025</b>	<b>240.50</b>	<b>26,202.61</b>	<b>26,443.11</b>	<b>-</b>	<b>26,443.11</b>





M & B ENGINEERING LTD

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(INR in Lacs)

NOTE - 14 : LONG TERM BORROWINGS :		
Particulars	As at 31st March 2025	As at 31st March 2024
Secured*		
Vehicle loans - from Banks	279.32	441.87
Term Loan From Banks	6,000.00	4,000.00
Less:		
Amount disclosed under the head "Short Term Borrowings" (Refer Note 17)	(858.01)	(162.56)
<b>TOTAL :</b>	<b>5,421.31</b>	<b>4,279.31</b>

\*Refer Note 33 for repayment terms & nature of security

NOTE - 15 : NON CURRENT LEASE LIABILITIES		
Particulars	As at 31st March 2025	As at 31st March 2024
Lease Liabilities	464.44	64.41
Less : Current Portion	(100.06)	(44.27)
<b>TOTAL :</b>	<b>364.38</b>	<b>20.14</b>

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M & B ENGINEERING LTD

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

**NOTE - 16 DEFERRED TAX LIABILITY :**

The Company has recognized deferred tax arising on account timing differences, being the difference between the taxable income and accounting income, that originates in one period and is capable of reversal in one or more subsequent period(s) in compliance with the Indian Accounting Standard (IND AS-12) - Accounting for Taxes on Income.

Major components of Deferred Tax liabilities and Assets are as under:

(INR in Lacs)

PARTICULARS	As at 31st March 2025	As at 31st March 2024
<b>Deferred Tax</b>		
Opening Balance	435.33	486.93
<u>Deferred tax asset on the following items</u>		
Unabsorbed depreciation / Business Losses	243.77	(37.76)
<u>Deferred tax liability on the following items</u>		
Tax on fair value changes in equity instruments through Profit and Loss	(24.93)	(13.84)
<b>Net Deferred Tax for the year</b>	<b>654.17</b>	<b>435.33</b>

**NOTE - 17 : SHORT TERM BORROWINGS :**

Particulars	As at 31st March 2025	As at 31st March 2024
<b>Secured</b>		
Working Capital loan from Banks	963.06	5,691.97
Buyer's Credit	11,370.91	10,241.29
Current Maturities of long term debts	858.01	162.56
<b>TOTAL :</b>	<b>13,191.98</b>	<b>16,095.82</b>

# Default in terms of repayment of principal and interest - NIL

**NOTE - 18 : CURRENT LEASE LIABILITIES**

Particulars	As at 31st March 2025	As at 31st March 2024
Lease Liabilities	100.06	44.27
<b>TOTAL :</b>	<b>100.06</b>	<b>44.27</b>

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(INR in Lacs)

NOTE - 19 : TRADE PAYABLES :		
Particulars	As at 31st March 2025	As at 31st March 2024
Micro, Small and Medium Enterprises	707.45	110.45
Others	20,783.57	9,267.65
<b>TOTAL :</b>	<b>21,491.02</b>	<b>9,378.10</b>

Micro, Small and Medium Enterprises:	As at 31st March 2025	As at 31st March 2024
(a) Under the Micro, Small and Medium Enterprises Development Act, 2006, [MSMED] following disclosures are required to be made relating to Micro, Small and Medium		
Principal amount remaining unpaid to any supplier as at the year end interest due thereon	707.45	110.45
Amount of interest paid by the Company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSME	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
<b>TOTAL :</b>	<b>707.45</b>	<b>110.45</b>

The above information has been compiled in respect of parties to the extent to which they could be identified as Micro, Small and Medium Enterprises on the basis of information available with the Company.

21.2 Aging for trade payables outstanding is as follows:

As on 31st March 2025

Particulars						Total
	Not Due	Less than 1 years	1-2 years	2-3 years	More than 3 years	
Trade payables						
MSME*	-	707.45	-	-	-	707.45
Others	-	20,682.86	42.95	31.13	26.63	20,783.57
Disputed dues - MSME*	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
	-	21,390.31	42.95	31.13	26.63	21,491.02

As on 31st March 2024

Particulars						Total
	Not Due	Less than 1 years	1-2 years	2-3 years	More than 3 years	
Trade payables						
MSME*	-	110.45	-	-	-	110.45
Others	-	9,209.69	31.33	7.72	18.91	9,267.65
Disputed dues - MSME*	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
	-	9,320.14	31.33	7.72	18.91	9,378.10



M & B ENGINEERING LTD

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(INR in Lacs)

NOTE - 20 : OTHER FINANCIAL LIABILITIES :

Particulars	As at 31st March 2025	As at 31st March 2024
Other Payables	1,335.83	1,159.35
<b>TOTAL :</b>	<b>1,335.83</b>	<b>1,159.35</b>

NOTE - 21 : SHORT TERM PROVISIONS :

Particulars	As at 31st March 2025	As at 31st March 2024
Provision for Employee Benefits		
Provision for Employee Benefits	1,077.20	1,032.58
Others		
Provision for Taxation (Net)	167.24	-
<b>TOTAL :</b>	<b>1,244.44</b>	<b>1,032.58</b>

NOTE - 22 : OTHER CURRENT LIABILITIES :

Particulars	As at 31st March 2025	As at 31st March 2024
Other payables		
Statutory Payables	204.96	309.12
Advance from customers	7,992.88	5,255.38
<b>TOTAL :</b>	<b>8,197.84</b>	<b>5,564.50</b>

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M & B ENGINEERING LTD

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(INR in Lacs)

NOTE - 23 : REVENUE FROM OPERATIONS :	2024-25	2023-24
Sale of Products (Net of Returns)		
Domestic Sales	83,515.57	71,359.42
Export Sales	3,054.44	1,586.23
Sale of Services	4,345.68	5,775.71
<b>TOTAL :</b>	<b>90,915.69</b>	<b>78,721.36</b>

NOTE - 24 : OTHER INCOME :	2024-25	2023-24
Interest Income	511.03	564.31
Loss/Gain on Liquid Fund	46.79	447.94
Profit on Sale of Investment	40.71	17.75
Unrealised gain of fair value on equity instruments	47.10	133.08
Profit on Sale of Assets	-	4.06
Bad Debt Written Back	-	5.02
Export Incentives	52.54	26.52
Exchange Fluctuation (Net)	126.25	64.29
<b>Other Non-operating income :</b>		
Interest on Security Deposit	5.70	1.75
Interest on EMD Deposit	11.19	33.90
Miscellaneous Income	34.45	56.89
<b>TOTAL :</b>	<b>875.76</b>	<b>1,355.51</b>



**M & B ENGINEERING LTD**

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS**

(INR in Lacs)

<b>NOTE - 25 :</b>	<b>2024-25</b>	<b>2023-24</b>
<b>(A) Cost of Material Consumed and Operational Expenses</b>		
-(i) Cost of Material Consumed	57,760.61	51,108.14
-(ii) Stores & Spares Consumed	487.25	465.47
-(iii) Operational Expenses ( As per Statement No 1 )	3,671.18	5,559.82
<b>Total (A):</b>	<b>61,919.04</b>	<b>57,133.43</b>
<b>(B) Changes in inventories of finished goods, work in progress and stock in trade :</b>		
Stock at the end of the year		
Work in Process	1,003.78	363.77
Finished Goods	1,262.15	1,646.47
	<b>2,265.93</b>	<b>2,010.24</b>
Stock at the beginning of the year		
Work in Process	363.77	797.61
Finished Goods	1,646.47	975.25
	<b>2,010.24</b>	<b>1,772.86</b>
<b>Total (B):</b>	<b>(255.69)</b>	<b>(237.38)</b>

<b>NOTE - 26 : EMPLOYEE BENEFIT EXPENSE :</b>	<b>2024-25</b>	<b>2023-24</b>
Salaries and Wages	7,968.14	7,014.52
Contribution to Provident and other Funds	414.13	375.22
Staff welfare	623.43	378.92
<b>TOTAL :</b>	<b>9,005.70</b>	<b>7,768.66</b>

<b>NOTE - 27 : FINANCE COST :</b>	<b>2024-25</b>	<b>2023-24</b>
Interest Expense	1,555.14	1,825.39
Bank Charges	378.95	454.63
Interest on lease liability	32.95	9.48
<b>TOTAL :</b>	<b>1,967.04</b>	<b>2,289.50</b>





M & B ENGINEERING LTD

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(INR in Lacs)

NOTE - 28 : OTHER EXPENSES :	2024-25	2023-24
Power & Fuel	399.65	291.38
Rent	96.64	76.41
Repairs To :		
(i) Machinery	253.76	228.21
(ii) Building	124.00	9.35
(iii) Others	36.58	20.67
Insurance	132.69	104.10
Rates & Taxes	14.55	20.21
Director Sitting Fees	11.90	-
Auditor's Remuneration (Refer Note No: 30)	23.84	28.62
Postage, Telegram and Telephone	57.69	30.73
Stationery, Printing Expenses	57.18	83.00
Factory Expenses	95.37	110.19
Conveyance and Vehicle Expenses	539.43	452.82
Legal & Consultancy	525.38	319.07
Staff Recruitment & Staff Training Exps	26.34	26.99
Travelling Expenses	440.65	291.04
Electric Expense	25.26	24.25
Bad Debts	264.46	557.27
Advertisement & Publicity Expenses	36.15	22.45
Packing Expenses	59.38	44.18
Sales Commission	54.82	52.11
Net Loss on sale of Fixed Assets	13.58	-
Transportation Outward Expenses	1,417.39	1,407.47
Sundry Dr./Cr. Balance written off	-	6.80
Export Expenses	403.34	125.39
Miscellaneous Expenses	438.41	299.92
Manpower Supply	2,204.28	1,089.71
Security Expenses	104.45	62.71
Corporate Social Responsibility (Refer Note No: 40)	102.43	65.32
Donation	-	0.80
Exhibition Expenses	32.47	16.13
Sales Promotion Expenses	29.84	10.09
Conference Expenses	31.76	65.19
<b>TOTAL :</b>	<b>8,053.67</b>	<b>5,942.58</b>

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## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(INR in Lacs)

NOTE - 29 : EARNING PER SHARE :	2024-25	2023-24
(a) Profit attributable to shareholders as per statement of Profit and Loss	7,400.75	4,806.54
(b) Weighted Average No. of equity shares used as denominator for calculating EPS	500.00	500.00
(c) Earnings per Share (INR)		
Basic	14.80	9.61
Diluted	14.80	9.61
(d) Face Value per Equity share (INR)	10.00	10.00

NOTE - 30 : AUDITOR'S REMUNERATION :	2024-25	2023-24
For Statutory Audit Fees	19.80	19.80
For IPO related services*	21.00	-
For Tax Audit Fees & Other Taxation Fee	0.15	0.30
For Certification Fees	2.04	0.77
For Other Matters	1.85	7.75
<b>TOTAL</b>	<b>44.84</b>	<b>28.62</b>

\*Fees paid for IPO related services form part of unamortised share issue expenses disclosed under current assets as per Note 11.





M & B ENGINEERING LTD

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(INR in Lacs)

Statement-1: Operational Expenses	2024-25	2023-24
Crane Hire Charges	485.81	250.12
Entry Tax & Toll Tax	59.76	58.43
Labour Charges	254.90	76.13
Erection Charges	1,650.61	4,079.00
Site Exp Diesel	336.07	297.69
Site Exp Lodging & Boarding	420.88	342.80
Site Exp Stationary	5.69	7.79
Site Exp-Conveyance	281.37	274.02
Site Exp-Maintainance	32.86	39.41
Site Exp-Others	143.20	134.36
Site Exp-Telephone	0.03	0.07
<b>TOTAL:</b>	<b>3,671.18</b>	<b>5,559.82</b>



**Note - 51 : RELATED PARTY DISCLOSURES UNDER SEC 45(24)**

Related Parties	Nature of Relationship
Phenix Building Solutions Private Limited	Wholly owned subsidiary
Phenix Construction Technologies PBC	Wholly owned subsidiary
MB Enterprise	Significant influence
Phenix Engineering Services Pvt Ltd	Significant influence
Phenix Building Services	Significant influence
Intashul Brothers	Significant influence
Intashul Brothers Members	Significant influence
Intashul and Brothers PCC (Pvt) Ltd	Significant influence
(Previously known as M & B Urban Estate)	
POPL Mall B	Significant influence
Phenix Finance Private Limited	Significant influence
Intashul Brothers Finance Cooperative	Significant influence
Usha Properties Meepan Infotech Private	Significant influence
Ching Properties Private Limited	Significant influence
Intashul Properties Private Limited	Significant influence
L.V. Finance Private Limited	Significant influence
Intashul Brothers Charitable Trust	Significant influence
MB Enterprise	Significant influence
Eco Enterprise	Significant influence
Enterprise Enterprise	Significant influence
Enterprise Projects LLP	Significant influence
Phenix Properties Private Limited	Significant influence
Malayali G. Patel	Key Management Personnel
Siddharth Mahesh Patel	Key Management Personnel
Siddharth Kanti Patel	Key Management Personnel
Ching Harshad Patel	Key Management Personnel
Shoban G. Patel	Key Management Personnel
Raj Patel	Key Management Personnel
Prerana Modi	Key Management Personnel
Devraj Maheshwar	Key Management Personnel
Satish Ambani	Key Management Personnel
Harish Das	Key Management Personnel
Shreyas Chakrabarti	Key Management Personnel
Parthiv Shrivastava	Key Management Personnel
Mouli Patel	Key Management Personnel
Keyur Shah	Key Management Personnel
Pratik Kulkarni	Key Management Personnel
Shreshth C. Patel	Key Management Personnel
Shreyas V. Patel	Key Management Personnel
Shreyas C. Patel	Relative of Key Management Personnel

**Disclosure of Transactions between Company and Related Parties**

Nature of Transaction	2024-25				2023-24			
	Significant Influence	Key Management Personnel	Relative of Key Management Personnel	Subsidiary Company	Significant Influence	Key Management Personnel	Relative of Key Management Personnel	Subsidiary Company
Sale of goods	69.61	-	-	7,030.25	36,445.48	-	-	1,215.96
Investment made	-	-	-	-	-	-	-	1,027.00
Unsecured Loan Given	-	-	-	1,771.24	-	-	-	885.03
Interest on Loan received	-	-	-	55.11	-	-	-	45.84
Payment of Loan given	-	-	-	2,083.58	-	-	-	745.48
Outstanding balance of Loan given	-	-	-	677.91	-	-	-	816.11
Outstanding Receivable	115.87	-	-	734.80	151.35	-	-	4,299.10
Expenses Paid	2.42	-	-	-	380.75	-	-	-
Expenses Received	61.55	-	-	81.36	10.76	-	-	-
Interest on Loan Paid	-	-	-	-	726.83	142.69	2.81	-
Purchase of goods	0.68	-	-	-	1,156.43	-	-	-
Purchase of Services	64.68	-	-	3.25	-	-	-	-
Purchase of Capital goods	-	-	-	19.85	-	-	-	-
Deposits given	0.38	-	-	-	-	-	-	-
Bank Paid	80.80	-	-	-	51.57	-	-	-
Dividend made	-	-	-	-	-	-	-	-
Unsecured Loan Taken	-	-	-	-	32,285.02	142.69	2.81	-
Payment of Unsecured Loan Taken	-	-	-	-	26,885.81	1,583.80	816.97	-
Outstanding Payable	111.83	-	-	-	98.00	-	-	-
Director's Sitting Fee	-	11.90	-	-	-	-	-	-
Remuneration	-	1,021.85	16.67	-	631.25	-	-	-
Salary paid	-	-	-	-	-	-	364.82	-
Sale of Service	-	-	-	5.81	-	-	-	101.52

**Loans given to Specified borrowers (repayable on demand or without specifying any terms or period of repayment)**

Particulars	2024-25		2023-24	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total loans & advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total loans & advances in the nature of loans
Phenix Building Solutions Private Limited	-	-	-	-
Phenix Construction Technologies PBC	-	-	-	-
MB Enterprise	-	-	-	-
Phenix Engineering Services Pvt Ltd	-	-	-	-
Phenix Building Services	-	-	-	-
Intashul Brothers	675.91	100%	915.11	100%

**Terms and Conditions of Unsecured loans given to wholly owned Subsidiary Company**

**Phenix Construction Technologies PBC**

**Facility Account**

**Terms of Credit Facility**

Total principal amount not exceeding USD 1,500,000

60 (Sixty) Months (Can be extended mutually)

Initially facility will be interest free till borrower starts trading activity. Interest shall be applicable when the borrower commences its trading activity. Interest will be charged at TPRP RPL 1.5% SPREAD Compounding interest - quarterly, payable along with principle (RPL may be changed mutually).

Repayment can be done at any time.

As agreed mutually

Review on quarterly basis on outstanding Credit Facility amount.

**Interest rate**

**Repayment Commencement Date**

**Repayment Schedule**

**Interest payable**

**Phenix Building Solutions Private Limited**

**Facility Account**

**Terms of Credit Facility**

Total principal amount not exceeding INR 15,00,00,000

60 (Sixty) Months (Can be extended mutually)

Interest will be charged at 12% per annum and will be payable yearly (RPL may be changed mutually).

Repayment can be done at any time.

As agreed mutually

Review on yearly basis on outstanding Credit Facility amount.

**Repayment Commencement Date**

**Repayment Schedule**

**Interest payable**

These loans of INR 6,000 Lakhs from Shri Maheshwari Bank, Shri Ching Harshad and RPL Bank is personally guaranteed by following Directors :

1. Malay Choudhary Patel

2. Siddharth Mahesh Patel

3. Shoban Kanti Patel

4. Ching Harshad Patel





# M & B ENGINEERING LTD

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

Note - 32 : DISCLOSURE REQUIRED UNDER IND AS 116:

(INR in Lacs)

Particulars	As at 31st March 2025	As at 31st March 2024
Depreciation on ROU Assets	83.30	66.19
Interest on Lease Liabilities	32.95	9.48
Expense on Short-term Leases	88.67	65.01
Expense on Low-value Leases	7.97	11.40
Variable Lease Payments	-	-
Sublease Income	-	-
Total Cash Outflow for Leases	198.53	157.51
Additions to ROU Assets	484.24	-
Gain/Loss on Lease Modifications	-	-

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## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(1H NMR in CDCl<sub>3</sub>)

Name of Lender	Repayment Terms and Interest Rates	Nature of Security	As at 31st March 2025	As at 31st March 2024
<b>Term Loans :</b>				
Standard Chartered Bank	Repayable in 16 equal quarterly installments commencing from 26th June 2025. Interest Payable at 9.55%	First Charge on Pari Passu basis on Mortgage of Land & Building of Cheyyar Plant, Hypothecation of Plant & Machineries at Cheyyar Plant and guaranteed by Directors.	2,000.00	2,000.00
Kotak Mahindra Bank	Repayable in 24 equal quarterly installments commencing from 09th October 2025. Interest Payable at 8.85%	First Charge on Pari Passu basis on Mortgage of Land & Building of Cheyyar Plant, Hypothecation of Plant & Machineries at Cheyyar Plant and guaranteed by Directors.	2,000.00	2,000.00
HDFC Bank Limited	Repayable in 72 equal monthly installments commencing from 14th March 2026. Interest Payable at 8.70%	First Charge on Pari Passu basis on Mortgage of Land & Building of Cheyyar Plant, Hypothecation of Plant & Machineries at Cheyyar Plant and guaranteed by Directors.	2,000.00	-
<b>Vehicle Loans :</b>				
HDFC Bank Limited	Repayable in 39 equal monthly installments commencing on 05th December 2023. Interest Payable at 8.55%	Hypothecation of the vehicle.	121.47	177.39
HDFC Bank Limited	Repayable in 39 equal monthly installments commencing on 07th October 2023. Interest Payable at 8.60%	Hypothecation of the vehicle.	123.34	185.78
HDFC Bank Limited	Repayable in 39 equal monthly installments commencing on 07th December 2022. Interest Payable at 7.90%	Hypothecation of the vehicle.	10.19	20.50
ICICI Bank Limited	Repayable in 36 equal monthly installments commencing on 05th January 2022. Interest Payable at 8.50%	Hypothecation of the vehicle.	17.64	39.48
HDFC Bank Limited	Repayable in 39 equal monthly installments commencing on 05th October 2022. Interest Payable at 11.89%	Hypothecation of the vehicle.	6.68	18.72

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## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(INR in Lacs)

NOTE - 34 :		
RAW MATERIAL CONSUMED :	2024-25	2023-24
HR Coils	7.15	61.93
HR Plates	21,792.25	18,807.27
Sheeting	24,442.62	18,255.07
Other Steel	5,296.81	7,517.99
Other Raw material	6,221.78	6,465.88
<b>TOTAL</b>	<b>57,760.61</b>	<b>51,108.14</b>

NOTE - 35 :		
CONTINGENT LIABILITY :	2024-25	2023-24
Outstanding Bank Guarantee*	8,771.74	8,228.42
<b>TOTAL</b>	<b>8,771.74</b>	<b>8,228.42</b>
<b>Commitments:</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for	456.72	61.20
<b>TOTAL</b>	<b>456.72</b>	<b>61.20</b>

\*Bank Guarantees consists on Advance Bank Guarantees (ABG) and Performance Bank Guarantees (PBG) issued by the bank on behalf of the Company in favour of its customers. The Advance Bank guarantees are issued when we are securing our advance against the order. The same is cancelled when prorata supply is made. Performance bank guarantees are issued to secure the performance against the job and it is normally issued at the end of the project against satisfactory performance and normally has a validity for a year.



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(INR in Laacs)

NOTE - 36 :		
VALUE OF IMPORTS ON C.I.F. BASIS DURING THE YEAR :	2024-25	2023-24
(i) Material Purchased	20,439.86	17,171.84
(ii) Components – spare parts	77.91	27.02
(iii) Capital Goods	341.76	366.09
<b>TOTAL</b>	<b>20,859.53</b>	<b>17,564.95</b>

NOTE - 37 :		
EARNING IN FOREIGN EXCHANGE ON ACCOUNT OF :	2024-25	2023-24
Earning in foreign exchange	3,101.19	1,621.82
<b>TOTAL</b>	<b>3,101.19</b>	<b>1,621.82</b>

NOTE - 38 :		
EXPENDITURE IN FOREIGN CURRENCY ON ACCOUNT OF :	2024-25	2023-24
Expenditure in foreign currency		
– Foreign Travelling	157.91	53.20
– Interest	567.37	466.97
– Others	375.98	47.26
<b>TOTAL</b>	<b>1,101.26</b>	<b>567.43</b>

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**Note 39: Additional regulatory disclosures as per Schedule III of Companies Act, 2013**

- I. The Company does not have any investment property.
- II. As per the Company's accounting policy, Property, Plant and Equipment and intangible assets are carried at historical cost (less accumulated depreciation & impairment, if any), hence the revaluation related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable.
- III. No proceedings have been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- IV. The Company has adhered to debt repayment and interest service obligations on time. Wilful defaulter related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable.
- V. Details of transactions with struck off companies:

Sr. No.	Name of Struck off company	Nature of transactions with struck off companies	Relationship with the struck off company, if any.	Balance outstanding as on 31/03/2025	Balance outstanding as on 31/03/2024	Purchase/ (Sales)	(Payment)/ Receipt
1	Indra Infra Steels Pvt Ltd	Contractor	Only business relationship	0.03 credit	0.03 credit	NIL	NIL

- VI. All applicable cases where registration of charges or satisfaction is required to be filed with Registrar of Companies have been filed. No registration or satisfaction is pending at the year ended 31st December 2024.
- VII. The Company has complied with the number of layers prescribed under clause (87) of Section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.

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1. Notes to the Standalone Financial Statements : April 2024 to March 2025

- VIII. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- a) 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
  - b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiary.
- IX. The Company have 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:
- a) 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
  - b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- X. The Company has not operated in any crypto currency or virtual currency transactions.
- XI. During the year the Company has not disclosed or surrendered, any income other than the income recognised in the books of accounts in the tax assessments under Income Tax Act, 1961





1. Notes to the Standalone Financial Statements : April 2024 to March 2025

**Note: - 40**

As per Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been formed by the company. The funds were utilized during the year on the activities which are specified in Scheduled VII of the Companies Act, 2013 through the implementing agency as prescribed under Rule 4 of the Companies (Corporate Social Responsibility Policy) Rules, 2014. Expenditure related to CSR as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof is Rs. 99.61 Lacs. Additional disclosures to be reported with respect to Section 135 of the Companies Act, 2013 is as under:

- A. Amount required to be spent by the Company during the year : Rs. 99.61 Lacs
- B. Amount of expenditure incurred : Rs. 102.43/- lakhs
- C. Shortfall at the end of the year : Nil
- D. Total of previous years' shortfall : Nil
- E. Reason for shortfall: NA
- F. Nature of CSR activities : Promoting Education
- G. Details of related party transactions : Nil
- H. Details of provision made with respect to liability incurred by entering into a contractual obligation during the year : Nil



M & B ENGINEERING LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

NOTE - 41: LIST OF SUBSIDIARY COMPANIES	Country Of Incorporation	Principal Place Of Business	Shareholding as at	
			2024-25	2023-24
Phenix Construction Technologies INC	USA	USA	100%	100%
Phenix Building Solutions Private Ltd	India	India	100%	100%

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## 42. Fair Value Measurements:

## A. Accounting Classification and Fair Values

As at March 31, 2025

(INR in Lacs)

Particulars	Carrying Value				Fair Value			
	At Cost	Amortised Cost	FVTPL	FVTOCI	Total	Level 1	Level 2	Level 3
Investments	1,344.17	-	510.62	-	1,854.79	510.62	1,344.17	-
Loans	-	734.21	-	-	734.21	-	734.21	-
Trade Receivables	-	16,561.70	-	-	16,561.70	-	16,561.70	-
Cash and Cash Equivalents	-	2,617.64	-	-	2,617.64	-	2,617.64	-
Other Bank Balances	-	5,414.88	-	-	5,414.88	-	5,414.88	-
Other Financial Assets	-	485.34	-	-	485.34	-	485.34	-
<b>Total Financial Assets</b>	<b>1,344.17</b>	<b>25,813.77</b>	<b>510.62</b>	<b>-</b>	<b>27,668.56</b>	<b>510.62</b>	<b>27,157.94</b>	<b>-</b>
Borrowings (Incl. Current Maturities)	-	18,613.29	-	-	18,613.29	-	18,613.29	-
Lease Liabilities	-	464.44	-	-	464.44	-	464.44	-
Trade Payable	-	21,491.02	-	-	21,491.02	-	21,491.02	-
Other Financial Liabilities	-	1,335.83	-	-	1,335.83	-	1,335.83	-
<b>Total Financial Liabilities</b>	<b>-</b>	<b>41,904.58</b>	<b>-</b>	<b>-</b>	<b>41,904.58</b>	<b>-</b>	<b>41,904.58</b>	<b>-</b>

As at March 31, 2024

(INR in Lacs)

Particulars	Carrying Value				Fair Value			
	At Cost	Amortised Cost	FVTPL	FVTOCI	Total	Level 1	Level 2	Level 3
Investments	1,344.17	-	689.88	-	2,034.05	689.88	1,344.17	-
Loans	-	1,010.70	-	-	1,010.70	-	1,010.70	-
Trade Receivables	-	12,078.33	-	-	12,078.33	-	12,078.33	-
Cash and Cash Equivalents	-	6,321.31	-	-	6,321.31	-	6,321.31	-
Other Bank Balances	-	2,578.81	-	-	2,578.81	-	2,578.81	-
Other Financial Assets	-	358.69	-	-	358.69	-	358.69	-
<b>Total Financial Assets</b>	<b>1,344.17</b>	<b>22,347.84</b>	<b>689.88</b>	<b>-</b>	<b>24,381.89</b>	<b>689.88</b>	<b>23,692.01</b>	<b>-</b>
Borrowings (Incl. Current Maturities)	-	20,375.13	-	-	20,375.13	-	20,375.13	-
Lease Liabilities	-	64.41	-	-	64.41	-	64.41	-
Trade Payable	-	9,378.50	-	-	9,378.50	-	9,378.50	-
Other Financial Liabilities	-	1,159.35	-	-	1,159.35	-	1,159.35	-
<b>Total Financial Liabilities</b>	<b>-</b>	<b>30,976.99</b>	<b>-</b>	<b>-</b>	<b>30,976.99</b>	<b>-</b>	<b>30,976.99</b>	<b>-</b>

## B.

## i. Investments in Associate and Subsidiaries

Investments in Associate and Subsidiaries have been accounted at historical cost. Since these are scoped out of Ind AS 109 for the purposes of measurement, the same have not been disclosed under fair value classification.

## ii. Financial instrument measured at Amortised Cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are reasonable approximation of their fair values since the company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

## iii. Levels 1, 2 and 3 - Valuation Techniques and Key Inputs

Level 1: It includes investment that has a quoted price and which are actively traded on the stock exchanges. It is being valued using the closing price as at the reporting period on the stock exchanges.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise 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.

## iv. There have been no transfers between Level 1, 2 and 3 during the years.



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

## 42.1 Financial Risk Management

The Company's financial liabilities comprise mainly of borrowings, trade and other payables and financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks, loans, trade and other receivables.

The Company is exposed to Market risk, Credit risk and Liquidity risk. The Board of the Company monitors the risk as per risk management policy. Further they also have oversight in the area of financial risks and controls.

The following disclosures summarize the Company's exposure to financial risks. Quantitative sensitivity analysis have been provided to reflect the impact of reasonably possible changes in market rates on the financial results, cash flows and financial position of the Company.

## A. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk includes borrowings, investments, trade payables, trade receivables and loans.

Within the various methodologies to analyse and manage risk, Company has implemented a system based on "sensitivity analysis" on symmetric basis. This tool enables the risk managers to identify the risk position of the entities. Sensitivity analysis provides an approximate quantification of the exposure in the event that certain specified parameters were to be met under a specific set of assumptions. The risk estimates provided here assume:

- a parallel shift of 100-basis points of the interest rate yield curves in major currencies;
- a simultaneous, parallel foreign exchange rates shift in which the INR appreciates / depreciates against all currencies by 5%.
- 10% increase / decrease in prices of all investments traded in an active market, which are classified as financial asset measured at FVTPL.

The potential economic impact, due to these assumptions, is based on the occurrence of adverse / inverse market conditions and reflects estimated changes resulting from the sensitivity analysis. Actual results that are included in the Statement of profit and loss may differ materially from these estimates due to actual developments in the global financial markets.

The analyses exclude the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations and provisions.

The following assumption has been made in calculating the sensitivity analysis:

The sensitivity of the relevant statement of profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2025 and March 31, 2024.

## I. Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Summary of interest bearing financial assets and financial liabilities has been provided below:

Particulars	(INR in Lacs)	
	As at 31st March 2025	31st March 2024
<b>Financial Assets</b>		
Loans	734.21	1,010.70
Security Deposits	-	-
	734.21	1,010.70
<b>Financial Liabilities</b>		
Borrowings (including current maturities)	18,611.20	20,175.13
Lease Liability	464.44	64.41
	19,075.64	20,239.54

## Interest Rate Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of change in interest rates. The following table demonstrates the sensitivity of floating rate financial instruments to a reasonably possible change in interest rates. The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period-end balances are not necessarily representative of the average debt outstanding during the period.

## Impact on Profit after Tax:

Particulars	(Pft in Lacs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Increase in 100 basis points	(137.26)	(145.39)
Decrease in 100 basis points	137.26	145.39





## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

## B Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk primarily trade receivables, loans and other financial assets including deposits with banks. Credit risk arising from trade receivables is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management.

## Trade Receivables

Customer credit risk is managed by each business unit subject to the Company's established policy and procedures. Trade receivables are non-interest bearing. Historical experience of collecting receivables of the Company is supported by low level of past default and hence the credit risk is perceived to be low.

## Reconciliation of loss allowance provision – Trade receivables

Particulars	(INR in Lacs)	
	As at March 31, 2025	As at March 31, 2024
Loss allowance as at beginning of the year	-	-
Changes in loss allowance	-	-
Loss allowances as at end of the year	-	-

## Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's finance department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties. Credit risk arising from these financial assets is perceived to be very low.

## Other financial assets

This comprises mainly of deposits, loans to employees and other intercompany receivables. Credit risk arising from these financial assets is limited.

## C Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing from both banks and financial institutions at an optimized cost.

The table below analysis non-derivative financial liabilities of the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed under the ageing buckets are the contractual undiscounted cash flows and includes contractual interest payments.

Particulars	(INR in Lacs)			
	Carrying amount	Less than 12 months	More than 12 months	Total
As at March 31, 2025				
Financial Liabilities				
Borrowings	18,613.29	13,191.98	5,421.31	18,613.29
Trade Payables	21,491.02	21,390.31	100.71	21,491.02
Other Financial Liabilities	1,335.83	1,335.83	-	1,335.83
Total	41,440.14	35,918.12	5,522.02	41,440.14
As at March 31, 2024				
Financial Liabilities				
Borrowings	20,375.13	16,095.82	4,279.31	20,375.13
Trade Payables	9,378.10	9,320.14	57.96	9,378.10
Other Financial Liabilities	1,159.35	1,159.35	-	1,159.35
Total	30,912.58	26,575.31	4,337.27	30,912.58

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## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Entity's liquidity risk management as the liquidity is managed on a net asset and liability basis.

(INR in Lacs)				
Particulars	Carrying amount	Less than 12 months	More than 12 months	Total
<b>As at March 31, 2023</b>				
Financial Assets				
Investments	1,854.79	-	1,854.79	1,854.79
Loans	734.21	704.21	30.00	734.21
Trade Receivables	16,561.70	15,173.81	1,387.89	16,561.70
Cash and Cash Equivalents	2,617.64	2,617.64	-	2,617.64
Other Bank Balances	5,414.88	5,414.88	-	5,414.88
Other Financial Assets	485.34	45.57	439.77	485.34
<b>Total</b>	<b>27,668.56</b>	<b>23,956.11</b>	<b>3,712.45</b>	<b>27,668.56</b>
<b>As at March 31, 2024</b>				
Financial Assets				
Investments	2,034.05	-	2,034.05	2,034.05
Loans	1,010.70	980.70	30.00	1,010.70
Trade Receivables	12,078.33	10,873.83	1,204.50	12,078.33
Cash and Cash Equivalents	6,321.31	6,321.31	-	6,321.31
Other Bank Balances	2,578.81	2,578.81	-	2,578.81
Other Financial Assets	358.69	23.75	334.94	358.69
<b>Total</b>	<b>24,381.89</b>	<b>20,778.40</b>	<b>3,603.49</b>	<b>24,381.89</b>

## 42.2 Capital Management

The Company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total borrowings, less cash and cash equivalents. Adjusted equity comprises all component of equity. The company's adjusted net to debt equity ratio is as follows:

(INR in Lacs)		
Particulars	31st March 2023	31st March 2024
Total Borrowings	18,613.29	20,375.13
Less: Cash and Cash equivalents	2,617.64	6,321.31
Adjusted Net debt	15,995.65	14,053.82
Total Equity	31,443.11	24,148.92
Adjusted Net debt to equity ratio	50.87%	58.20%





## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

## 43 Ratio Analysis:

Sr.No.	Particulars	Numerator	Denominator	2024-2025	2023-2024	% Variance	Remarks
1	Current ratio (in times)	Total current assets	Total current liabilities	1.39	1.37	2%	
2	Debt-Equity ratio (in times)	Debt consists of borrowings and lease liabilities	Total Equity	0.61	0.85	-28%	1
3	Debt service coverage ratio (in times)	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments + Principal repayments	6.43	4.10	57%	1
4	Return on equity ratio (in %)	Profit for the year less Preference dividend (if any)	Total Equity	23.20%	19.45%	3.75%	
5	Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	6.35	6.60	-4%	
6	Trade payables turnover ratio (in times)	Cost of operation (Reduced by Employee Benefits, Finance Cost & Depreciation) + Other expenses	Average trade payables	4.52	5.61	-19%	
7	Net capital turnover ratio (in times)	Revenue from operations	Net working capital (i.e. Total current assets less Total current liabilities)	5.11	6.48	-21%	
8	Net profit ratio (in %)	Profit for the year	Total Revenue	7.95%	5.86%	2.08%	
9	Return on capital employed (in %)	Profit before tax and finance costs	Capital employed = Total Assets (-) Current Liabilities	31.20%	29.75%	1.45%	
10	Return on Investment (in %)	Income generated from Invested funds	Average Invested funds in treasury investments	0.92%	0.86%	0.06%	

1 Increase in retained earning &amp; reduction in utilisation of working capital loans.



**M & B ENGINEERING LTD**  
**NOTES TO THE STANDALONE FINANCIAL STATEMENTS**

**44 Disclosure pursuant to Ind AS-19 'Employee Benefits':**

As per Ind AS 19 "Employee Benefits", the disclosures of Employee benefits as defined in the Accounting standard are given below:

**(a) Defined Contribution Plans**

Contribution to Defined Contribution plan, recognized as expense for the year is as under:

During the year, the company has recognized the following amounts in the Profit & Loss Account:

(INR in Lacs)

Particulars	Year 2024-2025	Year 2023-2024
Employer's Contribution to Provident Fund	383.86	347.13

**(b) Defined Benefit Plans**

**(i) Reconciliation of opening and closing balance of Defined Benefit Obligations:**

Particulars	Year 2024-2025 Gratuity	Year 2023-2024 Gratuity
Opening Defined Benefit Obligation	669.80	536.17
Interest Cost	48.43	40.21
Current Service Cost	58.18	46.58
Past service cost	-	-
Benefit Paid	-	(64.91)
Actuarial Gain / Loss	109.83	111.75
Closing Defined Benefit Obligation	886.24	669.80

**(ii) Reconciliation of opening and closing balances of Fair Value of Planned Assets**

Particulars	Year 2024-2025 Gratuity	Year 2023-2024 Gratuity
Opening value of plan assets	667.99	534.12
Expected return	48.30	40.06
Actuarial gain (Loss)	3.27	1.50
Contributions by employer	113.04	92.31
Benefits paid	-	-
Closing value of planned assets	832.60	667.99

**(iii) Reconciliation of Fair Value of Assets and Obligations:**

Particulars	Year 2024-2025 Gratuity	Year 2023-2024 Gratuity
Defined Benefit Obligation	886.24	669.80
Fair value of Planned assets	832.60	667.99
Less : Unrecognized past service cost	-	-
Amount Recognized in Balance Sheet	53.64	1.81

**(iv) Expense Recognized during the year:**

Particulars	Year 2024-2025 Gratuity	Year 2023-2024 Gratuity
Current Service Cost	58.18	46.58
Interest Cost	0.13	0.15
Expected return on planned assets	-	-
Past year cost-vested	-	-
Net Actuarial (Gain) / Loss Recognized in the year	106.56	110.24
Expense recognized during the year	164.87	156.97

*Handwritten signature/initials*





(v) Actuarial Assumptions:

Particulars	Year 2024-2025	Year 2023-2024
Discount Rate	6.78%	7.23%
Salary Escalation	4.00%	4.00%
Rate of Return on Plan Asset	6.78%	7.23%
Employee Turnover	For service 2 years and below 32.00% p.a. For service 3 years to 4 years 20.00% p.a. For service 5 years and above 3.00% p.a.	For service 2 years and below 32.00% p.a. For service 3 years to 4 years 23.00% p.a. For service 5 years and above 3.00% p.a.
Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Life Mortality 2012-14 (Urban)

(vi) Sensitivity Analysis

(INR in Lacs)

Particulars	Year 2024-2025	Year 2023-2024
Defined Benefit Obligation on Current Assumptions	886.24	669.80
Delta Effect of +1% Change in Rate of Discounting	(79.23)	(57.88)
Delta Effect of -1% Change in Rate of Discounting	92.55	67.37
Delta Effect of +1% Change in Rate of Salary Increase	83.32	63.85
Delta Effect of -1% Change in Rate of Salary Increase	(75.06)	(55.47)
Delta Effect of +1% Change in Rate of Employee Turnover	14.46	20.35
Delta Effect of -1% Change in Rate of Employee Turnover	(16.36)	(22.89)

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the Defined 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

Furthermore, in presenting the above sensitivity analysis, the present value of the Defined Benefit Obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the Defined Benefit Obligation as recognized in the balance sheet

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years

As per our report of even date attached,

For and on behalf of Board of Directors

For Talati & Talati LLP  
Chartered Accountants  
(Firm Reg. No : 1107589/W100377)

Chirag Hasmukhbhai Patel  
Joint Managing Director  
DIN: 00260514

Malav Girishbhai Patel  
Joint Managing Director  
DIN: 00260602

Umesh Talati  
(Partner)  
Membership Number : 034834

Pankaj Naresh  
Chief Executive Officer

Mayur Satishbhai Patel  
Chief Executive Officer

Keyur Bachubhai Shah  
Chief Financial Officer  
Place : Ahmedabad  
Date : July 14, 2025

Palak Dilipbhai Parekh  
Company Secretary

Place : Ahmedabad  
Date : July 14, 2025





**INDEPENDENT AUDITOR'S REPORT**

To The Members of M & B Engineering Limited

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

**Opinion**

We have audited the accompanying consolidated financial statements of **M & B Engineering Limited** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") , which comprise the Consolidated Balance Sheet as at 31st March, 2025, the Consolidated Statement of Profit and Loss (including Other Comprehensive income), the Consolidated Cash Flow Statement and the Consolidated Statement of changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with 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 consolidated state of affairs of the Group as at March 31, 2025, the consolidated profit, their consolidated total comprehensive income, the consolidated cash flows and their consolidated changes in equity for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in and the relevant provisions of the Companies Act, 2013, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Talati & Talati LLP, a Limited Liability Partnership bearing LLP identification NO. AAO-8149

AMBICA CHAMBERS, NEAR OLD HIGH COURT, NAVRANGPURA, AHMEDABAD 380 009.

TEL : 2754 4571 / 72 / 74, [www.talatiandtlati.com](http://www.talatiandtlati.com)

Also at : VADODARA (0265) 235 5053 / 73 • SURAT (0261) 236 1236

MUMBAI (022) 49796144 • DELHI (011) 3574 1918 • KOCHI (0484) 640 0102



## Other Information

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's Annual Report, but does not include the financial statements and our auditors' report thereon. The Holding Company's annual report is expected to be made available to us after the date of this auditor's report.

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

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

When we read the Holding Company's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

## Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Management and Board of Directors of the companies included in the Group and of its subsidiaries are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Directors of the Holding Company, as aforesaid.



In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the 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 ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.





- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company included in the consolidated financial statements of which we are the independent auditors 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

#### Other Matters

- We did not audit the Financial Statements of the foreign subsidiary (Phenix Construction Technologies INC), the same have been furnished to us by the management, which reflects total assets of Rs. 695.86/- lacs as at 31st March, 2025, total revenues of Rs. 6,152.32/- lacs and net cash flows amounting to Rs. (276.62)/- lacs for the year ended on that date, as considered in the consolidated financial statements. It also include the Group's share of net profit (loss) of Rs.127.25/- lacs for the year ended 31st March, 2025. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of subsidiary, and our report in terms of sub sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiary is based solely on reports of management.
- Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the financial statements certified by the Management.



## Report on Other Legal and Regulatory Requirements

A. As required by Section 143 (3) of the Act, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other Comprehensive income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2025 taken on record by the Board of Directors of the Holding Company, none of the Directors of the Group Company Incorporated in India, is disqualified as on 31<sup>st</sup> March, 2025 from being appointed as a Director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A";

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014 read with Companies (Audit and Auditors) Amendment Rules 2018, in our opinion and to the best of our information and according to the explanations given to us:

a) The Holding Company has no pending litigations on the consolidated financial position of the Group.

b) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2025.





c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India during the year ended 31 March 2025.

d) (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies incorporated in India to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Holding Company or its subsidiary companies incorporated in India or

- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Holding Company or its subsidiary companies incorporated in India from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary companies incorporated in India shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or

- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under subclause (d)(i) and (d)(ii) contain any material mis-statement.

e) The Company has not declared or paid any dividend during the year by the Holding Company and its subsidiary companies incorporated in India in contravention of the provision of Section 123 of the Companies Act, 2013.



f) Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the financial year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares.

Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with or audit trail not preserved by the company as per the statutory requirements for record retention.

- C. With respect to the matter to be included in the Auditors' report under Section 197(16) of the Act:

In our opinion and according to the information and explanation given to us, the remuneration paid during the current year by the Holding Company and its subsidiaries which are incorporated in India to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiaries which are incorporated in India, is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For TALATI & TALATI LLP  
Chartered Accountants  
(Firm Reg. No: 110758W/W100377)



(Umesh Talati)  
Partner  
Membership No. 034834  
UDIN: 25034834BMIAVF2609



Place of Signature: Ahmedabad  
Date: July 14, 2025



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

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

#### **Opinion**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2025, we have audited the internal financial controls over financial reporting of **M & B Engineering Limited** (hereinafter referred to as "the Holding Company") as of that date.

In our opinion, the Holding 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, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

#### **Management's Responsibility for Internal Financial Controls**

The Company's Management and Board of Directors of the of the Holding 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.



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

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

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

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

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

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

Place of Signature: Ahmedabad  
Date: July 14, 2025

For TALATI & TALATI LLP  
Chartered Accountants  
(Firm Reg. No: 110758W/W100377)

(Umesh Talati)  
Partner  
Membership No. 034834  
UDIN: 25034834BMEAVF2609





(INR in Lacs)

	Note No.	As on 31st March 2025	As on 31st March 2024
<b>ASSETS :</b>			
<b>NON CURRENT ASSETS :</b>			
Property Plant & Equipment	2(A)	16,862.46	7,553.24
Capital Work in Progress	2(B)	217.57	6,622.63
Intangible assets	2(C)	238.86	113.70
Right of use assets	3	454.54	53.60
<b>Financial Assets</b>			
-(i) Non Current Investment	4(A)	510.62	689.88
-(ii) Loans	4(B)	30.00	30.00
-(iii) Other financial assets	4(C)	466.16	352.09
<b>Total Non Current Assets</b>		<b>18,780.21</b>	<b>15,415.14</b>
<b>CURRENT ASSETS :</b>			
Inventories	5	32,237.64	19,580.18
<b>Financial Assets</b>			
-(i) Trade Receivables	6	19,235.64	13,895.97
-(ii) Cash And Bank Balances	7	2,963.53	7,344.12
-(iii) Bank Balance other than above	8	5,517.99	2,579.06
-(iv) Loans	9	26.29	45.59
-(v) Other Current Financial Assets	10	46.31	23.75
Other Current Assets	11	6,113.88	4,427.30
<b>Total Current Assets</b>		<b>66,141.28</b>	<b>47,895.97</b>
<b>TOTAL :</b>		<b>84,921.49</b>	<b>63,311.11</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY:</b>			
Equity Share Capital	12	5,000.00	5,000.00
Other Equity	13	25,653.66	18,303.32
		<b>30,653.66</b>	<b>23,303.32</b>
<b>NON CURRENT LIABILITIES :</b>			
<b>Financial Liabilities</b>			
-(i) Borrowings	14	5,421.31	4,388.28
-(ii) Lease Liability	15	364.38	20.14
Deferred Tax Liability	16	654.75	436.18
		<b>6,440.44</b>	<b>4,844.60</b>
<b>CURRENT LIABILITIES :</b>			
<b>Financial Liabilities</b>			
-(i) Short Term Borrowings	17	13,191.98	16,095.82
-(ii) Lease Liabilities	18	100.06	44.27
-(iii) Trade Payables	19	22,664.23	9,331.37
-(iv) Other financial liabilities	20	1,539.41	1,244.95
Short Term Provisions	21	1,327.20	1,046.96
Other current liabilities	22	9,004.51	7,399.82
		<b>47,827.39</b>	<b>35,163.19</b>
<b>TOTAL :</b>		<b>84,921.49</b>	<b>63,311.11</b>

Significant Accounting Policies

The accompanying notes form an integral part of these financial statements

As per our report of even date

attached,

For Talati &amp; Talati LLP

Chartered Accountants

(Firm Reg. No : 110755W/W100377)



Umesh Talati  
(Partner)

Membership Number : 034834

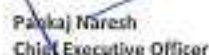
For and on behalf of Board of Directors



Chirag Hasmukhbhai Patel  
Joint Managing Director  
Managing Director  
DIN: 00260514



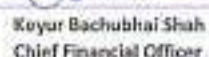
Mayur Satishbhai Patel  
Joint Managing Director  
Director  
DIN: 00260602



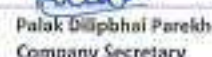
Pankaj Naresh  
Chief Executive Officer



Mayur Satishbhai Patel  
Chief Executive Officer



Koyur Bachubhai Shah  
Chief Financial Officer



Palak Dilipbhai Parekh  
Company Secretary

Place : Ahmedabad

Date : July 14, 2025

Place : Ahmedabad

Date : July 14, 2025



M & B ENGINEERING LTD

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2025

(INR in Lacs)

PARTICULARS	Note No.	2024-25	2023-24
<b>A. INCOME :</b>			
Revenue From Operations:	23	98,855.43	79,505.99
Other Income	24	833.48	1,320.03
<b>TOTAL INCOME :</b>		<b>99,688.91</b>	<b>80,826.02</b>
<b>B. EXPENDITURE :</b>			
Cost of Materials Consumed & Operational Expenses	25 (A)	67,486.96	57,716.94
Changes in Inventories	25 (B)	34.89	(377.07)
Employee benefit expenses	26	9,893.88	8,090.92
Finance Cost	27	1,995.76	2,305.84
Depreciation & Amortization	2 & 3	1,251.75	887.90
Other expenses	28	8,802.06	6,113.12
<b>TOTAL EXPENSES :</b>		<b>89,465.30</b>	<b>74,737.65</b>
<b>Profit Before Tax : (PBT) :</b>		<b>10,223.61</b>	<b>6,088.37</b>
<b>LESS/(ADD) : TAX EXPENSES :</b>			
Current Tax		2,300.29	1,576.54
Deferred Tax Liability / Asset		218.57	(51.58)
<b>Total Tax Provision :</b>		<b>2,518.86</b>	<b>1,524.96</b>
<b>Profit (loss) for the period from continuing operations :</b>		<b>7,704.75</b>	<b>4,563.41</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss (net of tax)			
Remeasurements of the employee defined benefit plan		(79.74)	(82.50)
Income Tax effect on the above		(26.82)	(27.75)
<b>Total of Other Comprehensive Income for the period</b>		<b>(106.56)</b>	<b>(110.25)</b>
<b>Total Comprehensive Income for the period</b>		<b>7,598.19</b>	<b>4,453.16</b>
<b>Less/(Add) Non Controlling Interest</b>		<b>-</b>	<b>(22.52)</b>
<b>Total Comprehensive Income for the year (After Non Controlling Interest)</b>		<b>7,598.19</b>	<b>4,475.68</b>
<b>Profit for the year</b>			
Attributable to:			
Parent Company			4,585.93
Non-Controlling Interests			(22.52)
			<b>4,563.41</b>
<b>Earnings per Share</b>			
Basic and Diluted (in INR)	29	15.41	9.13

Significant Accounting Policies & Notes to Accounts

The accompanying notes form an integral part of these financial statements

As per our report of even date attached,

For Talati & Talati LLP  
Chartered Accountants  
(Firm Reg. No : 110758W/VV100377)

Umesh Talati  
(Partner)  
Membership Number : 034834

For and on behalf of Board of Directors

Chirag Hasimbhai Patel  
Joint Managing  
Director  
DIN: 00260514

Malav Girishbhai Patel  
Joint Managing  
Director  
DIN: 00260603

Pankaj Nareish  
Chief Executive Officer

Mayur Satishbhai Patel  
Chief Executive Officer

Keyur Bachubhai Shah  
Chief Financial Officer  
Place : Ahmedabad  
Date : July 14, 2025

Palak Dilipbhai Parekh  
Company Secretary



Place : Ahmedabad  
Date : July 14, 2025



	Year ended March 31st, 2025	Year ended March 31st, 2024
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :-</b>		
Net profit before taxation and extraordinary items	10,279.01	4,088.37
Adjustments: Exceptional Items	-	-
Adjustments: Other Comprehensive Income	(1,06,50)	(1,19,75)
	16,117.00	5,978.62
Adjustments for :-		
Depreciation and Amortisation	1,251.75	887.80
(Loss) / (Gain) on Liquid Fund (net)	18,793	1487.84
Reversal on sale of subsidiary		541.07
Finance cost paid	(5,962.81)	(3,298.38)
Interest on loan liability	21.86	9.48
Loss/(Profit) on Sale of Assets	13.18	(4.26)
Profit on Sale of Investments	(88.75)	(3.75)
Unrealised gain/(loss) on fair value on equity instruments	(83.14)	(13,838)
Dividend income	(5.32)	(5.36)
Exchange rate fluctuation and other related adjustments arising on consolidation	(147.85)	279.86
Interest income on Security Deposits and DMD	(8.89)	(26.49)
Interest income	(487.37)	(521.87)
Total	7,389.08	2,896.34
Opening profit before working capital changes	27,508.11	6,425.80
Adjustments for :-		
(Increase) / (Decrease) in trade and other receivables	(5,591.70)	(5,296.84)
(Increase) / (Decrease) Inventories	(17,657.48)	(2,108.84)
Increase / (Decrease) in trade payables & other liabilities	11,832.86	(6,080.21)
Increase / (Decrease) in Other current liabilities	1,604.10	786.87
Increase / (Decrease) in Other financial liabilities	294.46	197.34
Increase / (Decrease) in Short Term Promises	126.27	8.48
Total	16,800.09	(1,459.15)
Cash generated from operations	5,700.12	1,966.65
Direct taxes paid (Net of refunds)	(2,146.27)	(1,832.73)
Total	(2,146.27)	(1,832.73)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES (A)</b>	<b>3,553.85</b>	<b>50.92</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES :-</b>		
Purchase of Fixed assets	(4,772.94)	(3,867.88)
Sale/(Purchase) of Investments (Net)	281.87	(27.31)
Proceeds from Liquid Fund (net)	46.29	447.94
Sale of Fixed Assets	23.69	895.13
Dividend income	9.32	9.18
Interest Income	487.27	521.87
Loans and advances	19.20	(17.75)
	(3,805.18)	(1,627.79)
<b>CASH FLOW FROM FINANCING ACTIVITIES :-</b>		
Proceeds/(Repayment) of Borrowings (net)	(1,870.81)	1,298.38
Proceeds from Term Loan	1,880.00	6,410.00
Interest on loan liability	(21.26)	(18.48)
Repayment of loan liability	(84.21)	(1,625)
Finance cost paid	(1,767.81)	(1,296.38)
Share issue Expenses	(583.16)	-
	(5,816.99)	3,391.87
<b>Net Increase / (Decrease) in cash and cash equivalents (A+B+C)</b>	<b>(968.32)</b>	<b>(245.70)</b>
Cash and cash equivalents at the beginning of the period	7944.12	8118.81
Cash and cash equivalents at the end of the period	2965.80	7863.11

## Components of Cash &amp; Cash equivalents:

	As at 31st March 2025	As at 31st March 2024
Cash and Cash Equivalents		
Balance with banks		
- By Current Accounts	215.11	2,331.64
Cash on hand	23.67	14.34
Balance with Banks in Fixed Deposits	1,637.55	4,481.54
in Liquid Funds	-	886.29
	<b>1,876.33</b>	<b>7,313.81</b>

The Cash Flow Statement has been prepared under the indirect method as set out in Ind AS 7 or Cash Flow Statement notified under Section 133 of The Companies Act, 2013 and together with Paragraph 7 of the Companies (Indian Accounting Standards) Rules 2015 (as amended).

As per our report of even date attached. For and on behalf of Board of Directors

For Talati & Talati LLP  
Chartered Accountants  
Firm Reg. No.: 112706N/MD/06/2017

Umesh Talati  
(Partner)  
Membership Number: 0410018

Place : Ahmedabad  
Date : July 14, 2025

Chirag Kishanbhai Patel  
Joint Managing Director  
CIN: 0020014

Pratik Kanch  
Chief Executive Officer

Kapil Kishanbhai Patel  
Chief Financial Officer  
Place : Ahmedabad  
Date : July 24, 2025

Harish Kishanbhai Patel  
Joint Managing Director  
CIN: 0020014

Harish Kishanbhai Patel  
Chief Executive Officer

Pratik Kanch  
Chief Financial Officer  
Place : Ahmedabad  
Date : July 24, 2025



## M &amp; B ENGINEERING LTD

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(INR in Lacs)

SHARE CAPITAL :		
Particulars	No. of Shares	Amount
Issued, Subscribed and Paid up Share Capital Equity Shares of Rs. 10/- each As At 1-Apr-23	2,00,00,000	2,000.00
Add: Equity shares issued during the year As At 31-Mar-24	3,00,00,000	3,000.00
Add: Equity shares issued during the period As At 31-Mar-25	5,00,00,000	5,000.00
Total :	5,00,00,000	5,000.00

(INR in Lacs)

Other Equity:				
Particulars	Foreign Currency Translation Reserve	General Reserve	Profit and Loss Account	Total Equity
Balance as at 1st April 2023	143.86	240.50	15,728.93	16,113.29
Movement during the period	152.23	-	-	152.23
Profit for the period	-	-	4,585.93	4,585.93
Other Comprehensive Income for the period	-	-	(110.25)	(110.25)
Reversal on Sale of Subsidiary	20.15	-	541.97	562.12
Bonus Issued during the year	-	-	(3,000.00)	(3,000.00)
Balance as at 31st March 2024	316.24	240.50	17,746.58	18,303.32
Movement during the period	(247.85)	-	-	(247.85)
Profit for the period	-	-	7,704.75	7,704.75
Other Comprehensive Income for the period	-	-	(106.56)	(106.56)
Balance as at 31st March 2025	68.39	240.50	25,344.77	25,653.66

As per our report of even date attached,

For and on behalf of Board of Directors

For Talati & Talati LLP  
Chartered Accountants  
(Firm Reg. No : 110758W/W100377)

Umesh Talati  
(Partner)  
Membership Number : 034834



Place : Ahmedabad  
Date : July 14, 2025

Chirag Hashimbhai Patel  
Joint Managing Director  
DIN: 00260514

Pankaj Narash  
Chief Executive Officer

Keyur Bachubhai Shah  
Chief Financial Officer  
Place : Ahmedabad  
Date : July 14, 2025

Malav Girishbhai Patel  
Joint Managing Director  
DIN: 00260602

Mayur Satishbhai Patel  
Chief Executive Officer

Palak Dilipbhai Parekh  
Company Secretary





### 1. Corporate Information

M & B ENGINEERING LIMITED ('the Holding Company or Company') was incorporated on 16th June, 1981. The Company's registered office is located at MB House, 51, Chandrodaya Society, Opp Golden Triangle, Stadium Road, Post Navjivan, Ahmedabad, Gujarat, India, 380014. The Company is engaged in the business of Pre-Engineered Metal Buildings (PEB), Structural Steel, Self-Supported Steel Roofing and Components thereof.

These consolidated financial statements comprise the Company and its subsidiaries (referred to collectively as the 'Group').

### 2. Statement of compliance

The Group's financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and amendments thereto issued by Ministry of Corporate Affairs under section 133 of the Companies Act, 2013. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations require a different treatment.

### 3. Basis of Preparation of consolidated Financial Statements

#### 3A. Basis of preparation and presentation

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these consolidated financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.



**3B. Functional and Presentation Currency**

These consolidated financial statements are presented in Indian Rupees (INR), which is also the Holding Company's functional currency. All the amounts are stated in the nearest rupee in lakhs.

**3C. Basis of measurement**

The consolidated financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Investments in certain equity shares of entities other than subsidiaries and associates	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

**3D. Basis of consolidation**

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The consolidated financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

**3E. Transactions eliminated on consolidation**

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

**4. Significant Accounting Policies****A. Use of Estimates**

The preparation of consolidated financial statements are in conformity with the recognition and measurement principles of Ind AS which requires management to make critical judgments, estimates and assumptions that affect the reporting of assets, liabilities, income and expenditure. Estimates and underlying assumptions are reviewed on an ongoing basis and any revisions to the estimates are recognized in the period in which the estimates are revised and future periods are affected.

Key source of estimation of uncertainty at the date of consolidated financial statements, which may cause material adjustment to the carrying amount of assets and liabilities within the next financial year, is in respect of:





**1) Useful lives and residual value of property, plant and equipment:** Property, plant and equipment / intangible assets are depreciated / amortized over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortization to be recorded during any reporting period. The useful lives and residual values are based on the Group's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortization for future periods is revised if there are significant changes from previous estimates.

**2) Impairment of financial assets:** The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

**3) Impairment of non-financial assets:** Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount. The recoverable amount of an asset, 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 for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash Flow (DCF) model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance 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.

**4) Employee benefits:** The cost of the defined benefit and long-term employee benefit plans and the present value of the related obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation, a defined benefit and long-term employee benefit obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

**5) Expense Provisions & contingent liabilities:** The assessments undertaken in recognizing provisions and contingencies have been made in accordance with the applicable Ind AS. Provisions are recognized only when: (i) the Group has a present obligation (legal or constructive) as a result of a past event; and (ii) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and (iii) a reliable estimate can be made of the amount of the obligation. Where the effect of time value of money is material, provisions are determined by discounting the expected future cash flows. Contingent liability is disclosed in case of: (i) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and (ii) a present obligation arising from past events, when no reliable estimate is possible.



**6) Valuation of deferred tax :** Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Group's financial statements and the corresponding tax bases used in computation of taxable profit and quantified using the tax rates as per laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax assets are generally recognized for all taxable temporary differences to the extent that is probable that taxable profits will be available against which those deductible temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Transaction or event which is recognized outside profit or loss, either in other comprehensive income or in equity, is recorded along with the tax as applicable.

#### **B. Property Plant and Equipment and Intangible Assets**

**Tangible Assets:** Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes all expenses related to the acquisition and installation of Property, Plant and Equipment which comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use and other incidental expenses.

**Capital Work in Progress:** Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost comprises direct cost, related incidental expenses, pre-operative expenses, project expenses and for qualifying assets, borrowing costs capitalized in accordance with the Group's accounting policy.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss.

**Intangible Assets:** Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

#### **C. Depreciation and amortization useful life of Property, Plant & Equipment and Intangible Assets**

##### **(i) For Holding Company**

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. In respect of Tangible assets [other than furniture and fixtures] acquired during the year depreciation/amortization is charged on a written down value basis for "Proflex Systems" division & on straight line basis for "Phenix Construction Technologies" and "Phenix Infra", so as to write off the cost of the assets over the useful lives as prescribed in Schedule II of the Companies Act, 2013. Depreciation on additions / disposals of the assets during the current reporting year is provided on pro-rata basis according to the period during which the assets are put to use. Where the actual cost of purchase of an asset is below INR 5,000/-, the depreciation is provided @ 100 %. Technical Knowhow is to be amortized over the period of 5 years as estimated by the management.





Lease hold land is amortized over the period of lease from the date of commercial production from plant over that lease hold land.

**(ii) For Indian Subsidiary Company**

Depreciation is provided on written Straight Line Method based on the estimated useful life of the assets as specified under Schedule II of the Companies Act, 2013. Pro-rata depreciation is charged on additions & deletions during the year. Where the actual cost of purchase of an asset is below INR 5,000/-, the depreciation is provided @ 100 %.

**(ii) For Foreign Subsidiary Company**

Assets have been depreciated following the rates applicable to the Income Tax Rules.

**D. Impairment of Assets**

The Group, at each balance sheet date, assesses whether there is any indication of impairment of any asset and / or cash generating unit. If such indication exists, assets are impaired by comparing carrying amount of each asset and / or cash generating unit to the recoverable amount being higher of the net selling price or value in use. Value in use is determined from the present value of the estimated future cash flows from the continuing use of the assets.

**E. Foreign Exchange Transactions and Translation**

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. The net gain or loss on account of exchange differences arising on settlement of foreign currency transactions are recognized as income or expense of the period in which they arise. Monetary assets and liabilities denominated in foreign currency as at the balance sheet date are translated at the closing rate. The resultant exchange rate differences are recognized in the statement of profit and loss. Non-monetary assets and liabilities are carried at the rates prevailing on the date of transaction.

**F. Inventory**

Materials & Bought outs, Stock in Trade, Stores and Packing materials, Work in Progress and Finished Goods are valued at lower of cost (Weighted average basis) or net realizable value. Cost includes all direct costs and applicable overheads to bring the goods to the present location and condition net of input tax credit receivable, where ever applicable.

**G. Financial Instruments**

**I. Financial Assets**

**A. Initial recognition and measurement:**

All Financial Assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of Financial Assets, which are not at Fair Value Through Profit or Loss, are adjusted to the fair value on initial recognition. Purchase and sale of Financial Assets are recognized using trade date accounting. However, trade receivables that do not contain a significant financing component are measured at transaction price.



#### **B. Subsequent Measurement**

a) **Financial Assets measured at Amortized Cost (AC):** A Financial Asset is measured at Amortized Cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the Financial Asset give rise to cash flows on specified dates that represent solely payments of principal and interest on the principal amount outstanding.

b) **Financial Assets measured at Fair Value Through Other Comprehensive Income (FVTOCI):** A Financial Asset is measured at FVTOCI if it 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 represents solely payments of principal and interest on the principal amount outstanding.

c) **Financial Assets measured at Fair Value Through Profit or Loss (FVTPL):** A Financial Asset which is not classified in any of the above categories are measured at FVTPL. Financial assets are reclassified subsequent to their recognition, if the Group changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date following the changes in business model in accordance with principles laid down under Ind AS 109 – Financial Instruments.

#### **D. Other Equity Investments**

All other equity investments are measured at fair value, with value changes recognized in Statement of Profit and Loss, except for those equity investments for which the Group has elected to present the value changes in 'Other Comprehensive Income'. However, dividend on such equity investments are recognized in Statement of Profit and loss when the Group's right to receive payment is established

#### **I. Impairment of financial assets**

At each balance sheet date, the Group assesses whether a financial asset is to be impaired. Ind AS 109 requires expected credit losses to be measured through loss allowance. The Group measures the loss allowance for financial assets at an amount equal to lifetime expected credit losses if the credit risk on that financial asset has increased significantly since initial recognition. If the credit risk on a financial asset has not increased significantly since initial recognition, the Group measures the loss allowance for financial assets at an amount equal to 12-month expected credit losses. The Group uses both forward-looking and historical information to determine whether a significant increase in credit risk has occurred.

#### **ii. Financial Liabilities**

**A. Initial Recognition and Measurement:** All Financial Liabilities are recognized at fair value and in case of borrowings, net of directly attributable cost. Fees of recurring nature are directly recognized in the Statement of Profit and Loss as finance cost.

**B. Subsequent Measurement:** Financial Liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.





#### **De-recognition of financial assets and liabilities**

The Group derecognizes a financial asset when the contractual right to the cash flows from the asset expires or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction which substantially all the risk and rewards of ownership of the financial asset are transferred. The Group derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired; the difference between the carrying amount of derecognized financial liability and the consideration paid is recognized as profit or loss.

#### **Offsetting of Financial Instruments**

Financial assets and financial liabilities are offset, and the net amount is reported in consolidated financial statements if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

#### **Cash & Cash Equivalents**

Cash and cash equivalents comprise of cash on hand, cash at banks, short-term deposits and short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

#### **Trade Payables**

Trade payables are amounts due to vendors for purchase of goods or services acquired in the ordinary course of business and are classified as current liabilities to the extent it is expected to be paid within the normal operating cycle of the business.

#### **Other financial assets and liabilities**

Other non-derivative financial instruments are initially recognized at fair value and subsequently measured at amortized costs using the effective interest method.

#### **H. Revenue Recognition**

The Group recognizes revenue when control over the promised goods or services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue is measured based on the transaction price which is consideration adjusted for discounts, rebates, or other similar items, if any, specified in the contracts with the customers. Revenue excludes any amount collected as taxes on behalf of statutory authorities. The Group recognizes revenue, normally, at the point in time when the goods are delivered to customer or when it is delivered to a carrier for export sale, which is when the control over product is transferred to the customer.

All other incomes are accounted on mercantile basis except insurance claim and dividend income, which is account for on receipt basis.

Export Incentives under various schemes are accounted in the year of realization of benefits.



#### **I. Employee Benefits**

##### **Short-term and other long-term employee benefits:**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized as an expense during the period when the employees render the services.

##### **Post-Employment Benefits**

##### **Defined contribution plans:**

The Group's contribution to provident fund considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

##### **Defined benefit plan:**

For defined benefit plan in the form of gratuity fund, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur.

#### **J. Leases**

As a lessee, the Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate.

##### **Short-term leases and leases of low-value assets:**

For short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the lease term.





#### **K. Provisions, Contingent Liabilities and Contingent Assets**

A provisions are recognized when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability is not recognized but its existence is disclosed in the consolidated financial statements.

#### **L. Taxation**

The tax expenses for the period comprises of current tax and deferred income tax. Tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognized in the Other Comprehensive Income. In which case, the tax is also recognized in Other Comprehensive Income.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the Income Tax authorities, based on tax rates and laws that are enacted at the Balance sheet date.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the consolidated Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax assets are recognized to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilized. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period. The Group offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right and these relate to taxes on income levied by the same governing taxation laws.

#### **M. Borrowing Costs**

Borrowing costs are recognized as an expense in the period in which they are incurred except the borrowing cost attributable to acquisition / construction of qualifying assets are capitalized as a part of the cost of such assets up to the date when such asset is installed and put to use. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

#### **N. Segment Reporting**

The Group deals in Pre-Engineered Buildings, Structure Steels, Steel Roofing and Components thereof and hence requirement of Indian Accounting Standard 108 "Operating Segments" issued by ICAI are not applicable.



**O. Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes, if any) by the weighted average number of equity shares outstanding during the period.

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

**P. Operating Cycle**

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of product and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the group has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.





**Note 39: Additional regulatory disclosures as per Schedule III of Companies Act, 2013**

- I. The Group does not have any investment property.
- II. As per the Group's accounting policy, Property, Plant and Equipment and intangible assets are carried at historical cost (less accumulated depreciation & impairment, if any), hence the revaluation related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable.
- III. No proceedings have been initiated or pending against the Group for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- IV. The Group has adhered to debt repayment and interest service obligations on time. Wilful defaulter related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable.

## V. Details of transactions with struck off companies:

Sr. No.	Transactions with	Name of Struck off company	Nature of transactions with struck off companies	Relationship with the struck off company, if any.	Balance outstanding as on 31/03/2025	Balance outstanding as on 31/03/2024	Purchase/ (Sales)	(Payment)/ Receipt
1	M & B engineering Ltd.	Indra Infra Steels Pvt Ltd	Contractor	Only business relationship	2,528	2,528	-	-
2	Phenix Building Solutions Pvt.Ltd.	Kinjal Infrastructure Private Limited	Erection Service	Vendor	2,34,764	2,34,764	-	-
3	Phenix Building Solutions Pvt.Ltd.	R. S. Technocrate Private Limited	Erection Service	Vendor	30,034	30,034	-	-
4	Phenix Building Solutions Pvt.Ltd.	Dreizack India Construction Private Limited	Erection Service	Vendor	18,039	18,039	-	-

- VI. All applicable cases where registration of charges or satisfaction is required to be filed with Registrar of Companies have been filed. No registration or satisfaction is pending at the year ended 31st March 2025.



- VII. The group has complied with the number of layers prescribed under clause (87) of Section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.
- VIII. The group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (ultimate beneficiaries) or
  - b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiary.
- IX. The group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the group shall:
- a) 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
  - b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- X. The group has not operated in any crypto currency or virtual currency transactions.
- XI. During the year the group has not disclosed or surrendered, any income other than the income recognised in the books of accounts in the tax assessments under Income Tax Act, 1961





**Note 40.** As per Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been formed by the group. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Scheduled VII of the Companies Act, 2013. Expenditure related to CSR as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof is Rs. 99.61 Lacs. Additional disclosures to be reported with respect to Section 135 of the Companies Act, 2013 is as under:

- A. Amount required to be spent by the group during the year: Rs. 99.61 Lacs
- B. Amount of expenditure incurred : Rs. 102.43/- lakhs
- C. Shortfall at the end of the year : Nil
- D. Total of previous years' shortfall : Nil
- E. Reason for shortfall : NA
- F. Nature of CSR activities : Promoting Education
- G. Details of related party transactions : NIL
- H. Details of provision made with respect to liability incurred by entering into a contractual obligation during the year : Nil



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## NOTE - 2. PROPERTY, PLANT &amp; EQUIPMENTS

Asset Description	GROSS BLOCK				DEPRECIATION BLOCK			NET BLOCK AS AT	
	Balance at on 1st April 2024	Additions during the year	Deductions/ Adjustments	Balance at on 31st March 2025	Depreciation for the year	Revaluation/ Adjustments	Balance at on 31st March 2025	31st March 2025	31st March 2024
<b>A. PROPERTY PLANT &amp; EQUIPMENT</b>									
LAND	214.39	-	-	214.39	-	-	-	214.39	214.39
LEASEHOLD LAND	1,240.20	0.12	-	1,240.32	10.85	-	10.85	1,229.33	1,240.38
FACTORY BUILDING	8,605.26	9,016.11	-	8,861.37	245.89	(0.63)	1,724.75	5,036.48	2,164.77
PLANT & EQUIPMENT	9,510.82	4,805.08	15.44	34,179.04	975.59	5.29	7,699.60	6,479.35	2,183.38
ELECTRICAL INSTALLATION	610.04	409.04	2.04	5,877.63	62.24	1.19	454.67	632.95	218.57
FURNITURE & FIXTURES	894.47	147.44	34.37	427.44	30.44	34.46	226.41	199.53	68.03
COMPUTER	446.44	30.06	11.64	535.34	27.75	9.15	452.52	69.44	68.11
OFFICE EQUIPMENTS	820.59	100.05	1.54	439.38	30.11	0.67	280.13	159.27	86.50
VEHICLES	1,585.24	85.86	34.68	1,645.64	234.30	32.81	789.98	860.35	921.35
MOTOR BUSES	288.89	-	5.53	283.36	24.46	5.29	244.80	77.46	101.79
<b>TOTAL PROPERTY, PLANT &amp; EQUIPMENTS:</b>	<b>18,247.71</b>	<b>10,475.16</b>	<b>116.57</b>	<b>28,654.50</b>	<b>1,174.72</b>	<b>42.41</b>	<b>11,141.84</b>	<b>16,862.46</b>	<b>7,553.26</b>
<b>B. CAPITAL WORK IN PROGRESS</b>									
CAPITAL WORK IN PROGRESS	4,120.13	1,912.77	9,809.64	247.47	-	-	-	217.57	4,120.13
PPE OPERATIVE EXPS TO BE CAPITALISED	2,542.50	-	2,542.52	-	-	-	-	-	2,542.50
<b>TOTAL CAPITAL WIP :</b>	<b>6,662.63</b>	<b>1,912.77</b>	<b>8,352.16</b>	<b>247.47</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>217.57</b>	<b>6,662.63</b>
<b>C. INTANGIBLE ASSETS</b>									
COMPUTER SOFTWARES	678.90	140.84	-	1,117.84	33.73	(0.02)	932.27	294.77	94.61
SOFTWARE	0.81	-	-	0.81	-	-	-	0.81	0.81
TECHNICAL KNOW HOW	368.53	-	-	168.53	8.00	-	385.29	89.28	38.28
<b>TOTAL INTANGIBLE ASSETS</b>	<b>1,048.24</b>	<b>140.84</b>	<b>-</b>	<b>1,287.18</b>	<b>41.73</b>	<b>(0.02)</b>	<b>1,067.82</b>	<b>284.86</b>	<b>133.70</b>
<b>TOTAL ASSETS</b>	<b>24,910.58</b>	<b>12,528.77</b>	<b>8,644.40</b>	<b>30,138.25</b>	<b>1,258.45</b>	<b>42.39</b>	<b>12,209.66</b>	<b>17,138.89</b>	<b>14,239.57</b>
<b>PREVIOUS YEAR :</b>	<b>18,775.44</b>	<b>7,897.95</b>	<b>1,510.64</b>	<b>26,012.75</b>	<b>851.71</b>	<b>864.51</b>	<b>11,723.21</b>	<b>14,289.57</b>	<b>7,055.87</b>

2.1. No immovable property is held by the Company jointly with others as on the Balance Sheet date.

2.2. Depreciation schedule

Asset Description	Amount in Rupee & Intangible Assets for a period of					Amount in Rupee & Intangible Assets for a period of			
	Less than 1 Year	1 - 2 Years	2 - 5 Years	More than 5 Years	Total	Less than 1 Year	1 - 2 Years	2 - 5 Years	Total
CHRP	141.49	0.57	2.02	72.59	217.57	8,545.33	9.32	32.41	90.17
<b>Total</b>	<b>141.49</b>	<b>0.57</b>	<b>2.02</b>	<b>72.59</b>	<b>217.57</b>	<b>8,545.33</b>	<b>9.32</b>	<b>32.41</b>	<b>90.17</b>

2.3. There are no assets under construction/development which are recorded in the consolidated accounts.

2.4. The Company does not have any intangible property as on the Balance Sheet date.

2.5. Depreciation expenditure includes Rs. 30 Lacs for FY 2024-25 and Rs. 18 Lacs for FY 2023-24 of Amortization of ROU Assets.





**M & B ENGINEERING LTD**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**Note 3 - RIGHT OF USE ASSETS**

**(INR in Lacs)**

Particulars	Total
<b>Gross Carrying amount</b>	
Balance as at 1st April, 2023	186.28
Additions	-
Disposals	-
Reclassification as held for sale	-
Balance as at 31st March, 2024	186.28
Additions	484.24
Disposals	-
Reclassification as held for sale	-
Balance as at 31st March, 2025	670.52
<b>Accumulated Amortization</b>	
Balance as at 1st April, 2023	66.49
Additions	66.19
Disposals	-
Reclassification as held for sale	-
Balance as at 31st March, 2024	132.68
Additions	83.30
Disposals	-
Reclassification as held for sale	-
Balance as at 31st March, 2025	215.98
<b>Net carrying amount</b>	
Balance as at 31st March, 2023	119.79
Balance as at 1st April, 2024	53.60
Balance as at 31st March, 2025	454.54



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(INR in Lacs)

NOTE - 4A : NON - CURRENT INVESTMENT :		
Particulars	As at 31st March 2025	As at 31st March 2024
Investments in Equity Instruments		
Quoted		
At Fair value through Profit and Loss account		
- ICICI Bank Limited	250.79	203.35
18600 [As at 31.03.2025 & 31.03.2024: 18,600] Equity Share of Face Value of Rs 2/- each		
- Reliance Industries Limited	9.41	10.97
738 [As at 31.03.2025 & 31.03.2024: 738] Equity Share of Face Value of Rs 10/- each		
- Tata Steel Limited	-	96.63
0 [As at 31.03.2025:0 & as at 31.03.2024: 62,000] Equity Shares of Face Value of Rs 1/- each		
- Titan Company Limited	15.93	19.77
520 [As at 31.03.2025 & 31.03.2024: 520] Equity Shares of Face Value of Rs 1/- each		
- Tata Consultancy Services Limited	10.82	11.63
309 [As at 31.03.2025 & 31.03.2024: 309] Equity Shares of Face Value of Rs 1/- each		
- Adani Ports And Special Economic Zone Limited	23.66	26.84
2000 [As at 31.03.2025 & 31.03.2024: 2000] Equity Shares of Face Value of Rs 2/- each		
- Infosys Limited	12.57	11.98
800 [As at 31.03.2025 & 31.03.2024: 800] Equity Shares of Face Value of Rs 5/- each		
- HDFC Bank Limited	12.80	10.14
700 [As at 31.03.2025 & 31.03.2024: 700] Equity Shares of Face Value of Rs 1/- each		
- Samvardhana Shares	96.39	117.10
73,600 [As at 31.03.2025: 73600 & 31.03.2024: 100000] Equity Share of Face Value of Rs 1/- each		
- Jio Financial Serv	0.84	1.31
369 [As at 31.03.2025 & 31.03.2024: 369] Equity Share of Face Value of Rs 10/- each		
- Bharat Bijlee Ltd.	10.18	67.37
700 [As at 31.03.2025 & 31.03.2024: 700] Equity Share of Face Value of Rs 10/- each		
- Cyient Ltd Shares	-	53.90
2,700 [As at 31.03.2025 & 31.03.2024: 2700] Equity Share of Face Value of Rs 5/- each		
- Ingersoll Rand India	57.23	58.89
1,600 [As at 31.03.2025 & 31.03.2024: 1600] Equity Share of Face Value of Rs 10/- each		
	510.62	689.88

4A.1 Disclosure of Aggregate and Market Value of Investments:		
Aggregate amount of quoted Investments	510.62	689.88
Aggregate and Market Value of Investments	510.62	689.88





## M &amp; B ENGINEERING LTD

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(INR in Lacs)

NOTE - 4(B) : LOANS :		
Particulars	As at 31st March 2025	As at 31st March 2024
Inter Corporate Deposit	30.00	30.00
	30.00	30.00

NOTE - 4(C) : OTHER FINANCIAL ASSETS :		
Particulars	As at 31st March 2025	As at 31st March 2024
Trade and Security Deposits	466.16	352.09
	466.16	352.09

NOTE - 5 : INVENTORIES :		
Particulars	As at 31st March 2025	As at 31st March 2024
Materials & Bought Outs	28,070.40	10,766.62
Work in Process	1,003.78	363.77
Finished Goods	1,262.15	1,937.05
Stock in Trade	-	5,345.65
Stores & Packing Materials	1,901.31	1,167.09
	32,237.64	19,580.18

## Notes :

Raw material Stock, Semifinished Stock, Finished Stock and Stock in Trade is valued at lower of cost (weighted average basis) or net realizable value and taken as certified by the Management. Cost includes all direct costs and applicable overheads to bring the goods to the present location and condition net of input tax credit receivable, wherever applicable.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(INR in Lacs)

NOTE - 6: TRADE RECEIVABLES:		
	As at 31st March 2025	As at 31st March 2024
Overdue for Six Months	4,648.28	4,427.13
Other	34,587.36	9,466.84
<b>TOTAL :</b>	<b>39,235.64</b>	<b>13,893.97</b>

As on 31st March 2025

Particulars	Less than 6 months	6 months - 1 year	1 years - 2 years	2-3 years	More than 3 years	Total
Un disputed trade receivables – considered good	14,587.36	1,775.20	1,856.83	485.86	(35.89)	18,669.36
Un disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Un disputed trade receivables – credit impaired	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	72.70	458.85	531.55
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-
	14,587.36	1,775.20	1,856.83	558.56	422.96	19,199.91
Less: Allowance for doubtful trade receivables – billed	-	-	-	-	-	-
<b>TOTAL :</b>	<b>14,587.36</b>	<b>1,775.20</b>	<b>1,856.83</b>	<b>558.56</b>	<b>422.96</b>	<b>19,199.91</b>

As on 31st March 2024

Particulars	Less than 6 months	6 months - 1 year	1 years - 2 years	2-3 years	More than 3 years	Total
Un disputed trade receivables – considered good	9,466.84	1,824.29	1,525.03	291.17	786.64	13,893.97
Un disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Un disputed trade receivables – credit impaired	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	582.39	582.39
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-
	9,466.84	1,824.29	1,525.03	291.17	786.64	13,893.97
Less: Allowance for doubtful trade receivables – billed	-	-	-	-	-	-
<b>TOTAL :</b>	<b>9,466.84</b>	<b>1,824.29</b>	<b>1,525.03</b>	<b>291.17</b>	<b>786.64</b>	<b>13,893.97</b>





## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(INR in Lacs)

NOTE - 7 : CASH AND BANK BALANCES :		
Particulars	As at 31st March 2025	As at 31st March 2024
Cash and Cash Equivalents		
Balances with banks		
in Current Accounts	315.11	2,331.64
Cash on hand	20.87	14.94
Balances with Banks in Fixed Deposits	2,627.55	4,492.54
In Liquid Funds	-	905.09
	2,963.53	7,344.12

NOTE - 8 : BANK BALANCE OTHER THAN ABOVE :		
Particulars	As at 31st March 2025	As at 31st March 2024
Margin Money Deposit & Other Deposits under lien	5,517.99	2,579.05
	5,517.99	2,579.05

NOTE - 9 : LOANS:		
Particulars	As at 31st March 2025	As at 31st March 2024
Loans and Advances to Employees	26.29	45.59
	26.29	45.59

NOTE - 10 : OTHER CURRENT FINANCIAL ASSETS :		
Particulars	As at 31st March 2025	As at 31st March 2024
Interest Receivable	46.31	23.75
	46.31	23.75

NOTE - 11 : OTHER CURRENT ASSETS :		
Particulars	As at 31st March 2025	As at 31st March 2024
Unsecured, Considered good		
Others		
Advances to Suppliers	770.97	1,414.25
Balance with Government Authorities	4,085.59	2,484.92
Advances to Employees	208.18	61.35
Prepaid Expenses	420.21	421.01
Others	0.21	0.21
Unamortised share issue expenses*	628.72	45.56
	6,113.88	4,427.30

\* During the Year ended 31st March 2025, the Company incurred expenses in connection with the proposed Initial Public Offer (IPO) of equity shares of the Company by way of fresh issue and an offer for sale by the existing shareholders. In relation to the IPO expenses incurred till date, except for listing fees which shall be solely borne by the Company, all other expenses will be shared between the Company and the Selling Shareholders on a pro-rata basis, in proportion to the equity shares issued and allotted by the Company in the fresh issue and the offered shares sold by the selling shareholders in the offer for sale.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## NOTE - 12 : SHARE CAPITAL :

	As at March 31, 2025		As at March 31, 2024	
	No. of Shares	(INR in Lacs)	No. of Shares	(INR in Lacs)
Authorized Share Capital :				
Equity Shares of Rs. 10/- each	7,50,00,000	7,500.00	7,50,00,000	7,500.00
Preference Shares of Rs. 10/- each	50,00,000	500.00	-	-
<b>Total :</b>	<b>8,00,00,000</b>	<b>8,000.00</b>	<b>7,50,00,000</b>	<b>7,500.00</b>
Issued, Subscribed & Fully Paid - up Capital :				
Equity Shares of Rs. 10/- each	5,00,00,000	5,000.00	5,00,00,000	5,000.00
Per Value of Share (Rs. 10/- each)				
<b>Total :</b>	<b>5,00,00,000</b>	<b>5,000.00</b>	<b>5,00,00,000</b>	<b>5,000.00</b>

1.1 Reconciliation of the number of shares outstanding and the amount of share capital is as under:

Equity Shares	As at March 31, 2025		As at March 31, 2024	
	No. of Shares	(INR in Lacs)	No. of Shares	(INR in Lacs)
At the beginning of the year	5,00,00,000	5,000.00	2,00,00,000	2,000.00
Add : Issued during the year (Refer Note 1.4)(a)	-	-	3,00,00,000	3,000.00
Outstanding at the end of the year	5,00,00,000	5,000.00	5,00,00,000	5,000.00

## 1.2 Terms / Rights attached to the Equity Shares :

The company has only one class of shares referred to as equity shares having a par value of INR 10/-. Each holder of equity shares is entitled to one vote per share. 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 the proportion of their share.

1.3 : Shareholders holding more than 5 % Equity holding :	As at March 31, 2025		As at March 31, 2024	
	No. of Shares	% of holding	No. of Shares	% of holding
Chiragbhai H. Patel	1,74,95,000	34.99%	1,75,00,000	35.00%
Maheshbhai G. Patel	10,00,000	2.00%	70,00,000	14.00%
Girishbhai M. Patel	1,94,50,000	38.98%	1,95,00,000	39.00%
Ravibhai C. Patel	50,00,000	10.00%	50,00,000	10.00%
Vinodbhai K. Patel	24,99,000	5.00%	25,00,000	5.00%

## 1.4 Disclosure of Shareholding of Promoters &amp; Promoter's Group :

Disclosure of shareholding of promoters & promoter's group as at March 31, 2025 is as follows:

Shares held by promoters & promoter's group					
Promoter's Name	As at March 31, 2025		As at March 31, 2024		% change during the year 24-25
	No of Shares	% of total shares	No of Shares	% of total shares	
Chiragbhai H. Patel	1,74,95,000	34.99%	1,75,00,000	35.00%	-0.01%
Maheshbhai G. Patel	10,00,000	2.00%	70,00,000	14.00%	-12.00%
Girishbhai M. Patel	1,94,50,000	38.98%	1,95,00,000	39.00%	-0.02%
Ravibhai C. Patel	50,00,000	10.00%	50,00,000	10.00%	0.00%
Vinodbhai K. Patel	24,99,000	5.00%	25,00,000	5.00%	-0.00%
Lata Laxmanben V. Patel	10,00,000	2.00%	20,00,000	4.00%	-0.00%
Ashviya V Patel	14,99,000	3.00%	15,00,000	3.00%	0.00%
Urmilaben G. Patel	20,00,000	4.00%	20,00,000	4.00%	0.00%
MOMS Family Trust	5,000	0.01%	-	0.00%	0.01%
MGM11 Family Trust	5,000	0.01%	-	0.00%	0.01%
Ashviya V. Patel Family Trust	1,000	0.00%	-	0.00%	0.00%
Vipin K. Patel Family Trust	1,000	0.00%	-	0.00%	0.00%
Chirag H. Patel Family Trust	5,000	0.01%	-	0.00%	0.01%
	5,00,00,000	100.00%	5,00,00,000	100.00%	

1.5 : As per the records of the Company including its Register of Shareholders/Members & other declarations received from the Shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

## 1.6 : Information Regarding Issue of Shares in the last 5 Years

	2023-24
(a) Issued, subscribed and fully paid up share capital includes allotted as fully paid up by way of bonus shares within the last five years. Number of Equity Shares of Rs. 10 each.	1,00,00,000

(b) The company has not undertaken any buy back of shares.





**M & B ENGINEERING LTD**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

(INR in Lacs)

<b>NOTE - 13 : Other Equity:</b>		
<b>Particulars</b>	<b>As at 31st March 2025</b>	<b>As at 31st March 2024</b>
<b>Capital Reserve</b>		
Opening Balance	-	-
Movement during the Year	-	-
<b>Closing Balance (A)</b>	<b>-</b>	<b>-</b>
<b>Foreign Currency Translation Reserve :</b>		
Opening Balance	316.24	143.86
Movement during the Year	(247.85)	152.23
Less: Reversal on Sale of Subsidiary	-	20.15
<b>Closing Balance (B)</b>	<b>68.39</b>	<b>316.24</b>
<b>General Reserve :</b>		
Opening Balance	240.50	240.50
Movement during the Year	-	-
<b>Closing Balance (C)</b>	<b>240.50</b>	<b>240.50</b>
<b>Retained Earnings:</b>		
Opening Balance	17,746.58	15,728.93
Add : Profit for the year	7,704.75	4,585.93
Add: Comprehensive Income for the year	(106.56)	(110.25)
<b>Amount available for appropriation</b>	<b>25,344.77</b>	<b>20,204.61</b>
Less : Appropriations :		
Bonus Issued during the year	-	(3,000.00)
Less: Reversal on Sale of Subsidiary	-	541.97
	-	(2,458.03)
<b>Closing Balance (D)</b>	<b>25,344.77</b>	<b>17,746.58</b>
<b>TOTAL (A+B+C+D)</b>	<b>25,653.66</b>	<b>18,303.32</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(INR in Lacs)

NOTE - 14 : LONG TERM BORROWINGS :		
Particulars	As at 31st March 2025	As at 31st March 2024
<b>Secured*</b>		
Vehicle loans - from Banks	279.32	441.87
Term Loan From Banks	6,000.00	4,000.00
Less:		
Amount disclosed under the head "Short Term Borrowings" (Refer Note 17)	(858.01)	(162.56)
<b>Unsecured</b>		
Loans from Related parties	-	108.97
	<b>5,421.31</b>	<b>4,388.28</b>

\*Refer Note 33 for repayment terms &amp; nature of security

NOTE - 15 : NON CURRENT LEASE LIABILITIES		
Particulars	As at 31st March 2025	As at 31st March 2024
Lease Liabilities	464.44	64.41
Less : Current Portion	(100.06)	(44.27)
<b>TOTAL :</b>	<b>364.38</b>	<b>20.14</b>

## NOTE - 16 : DEFERRED TAX LIABILITY :

The Company has recognized deferred tax arising on account of timing differences, being the difference between the taxable income and accounting income, that originates in one period and is capable of reversal in one or more subsequent period(s) in compliance with the Indian Accounting Standard (IND AS-22) - Accounting for Taxes on Income.

Major components of Deferred Tax liabilities and Assets are as under:

Particulars	As at 31st March 2025	As at 31st March 2024
<b>Deferred Tax</b>		
Opening Balance	436.18	498.22
Add: Existing DTL of subsidiary acquired during the year	-	0.83
<u>Deferred tax asset on the following items</u>		
On Account of Depreciation	243.50	(37.74)
<u>Deferred tax asset/liability on the following items</u>		
Tax on fair value changes in equity instruments through Profit And Loss	(24.93)	(13.84)
Less: Reversal on Sale of Subsidiary	-	(11.29)
<b>Total :</b>	<b>654.75</b>	<b>436.18</b>





## M &amp; B ENGINEERING LTD

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(INR in Lacs)

NOTE - 17 : SHORT TERM BORROWINGS :		
Particulars	As at 31st March 2025	As at 31st March 2024
Loan repayable on demand from banks #		
Secured		
Working Capital loan from Banks	963.06	5,691.97
Buyer's Credit	11,370.91	10,241.29
Current Maturities of long term debts	858.01	162.56
Unsecured		
Loans from Related parties	-	-
<b>TOTAL :</b>	<b>13,191.98</b>	<b>16,095.82</b>

# Default in terms of repayment of principal and interest - NIL

NOTE - 18 : CURRENT LEASE LIABILITIES		
Particulars	As at 31st March 2025	As at 31st March 2024
Lease Liabilities	100.06	44.27
<b>TOTAL :</b>	<b>100.06</b>	<b>44.27</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(INR in Lacs)

NOTE - 19 : TRADE PAYABLES :		
	As at 31st March 2025	As at 31st March 2024
Micro, Small and Medium Enterprises	1,267.37	261.24
Others	21,396.86	9,070.13
<b>TOTAL :</b>	<b>22,664.23</b>	<b>9,331.37</b>

Micro, Small and Medium Enterprises:	As at 31st March 2025	As at 31st March 2024
(a) Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) following disclosures are required to be made relating to Micro, Small and Medium		
Principal amount remaining unpaid to any supplier as at the year end interest due thereon	1,267.37	261.24
Amount of interest paid by the Company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
Amount of interest due and payable for the period of delay in making payment [which have been paid but beyond the appointed day during the year] but without adding the interest specified under the MSME	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	-	-

b) The above information has been compiled in respect of parties to the extent to which they could be identified as Micro, Small and Medium Enterprise on the basis of information available with the Company.

19.1 Ageing for trade payables outstanding is as follows:

As on 31st March 2025

Particulars					Total
	Less than 1 years	1-2 years	2-3 years	More than 3 years	
Trade payables					
MSME*	1,267.37	-	-	-	1,267.37
Others	21,296.15	42.96	31.13	26.63	21,396.86
Disputed dues - MSME*					
Disputed dues - Others					
	22,563.52	42.96	31.13	26.63	22,664.23

As on 31st March 2024

Particulars					Total
	Less than 1 years	1-2 years	2-3 years	More than 3 years	
Trade payables					
MSME*	261.24	-	-	-	261.24
Others	9,012.17	31.33	7.72	18.91	9,070.13
Disputed dues - MSME*					
Disputed dues - Others					
	9,273.41	31.33	7.72	18.91	9,331.37





M & B ENGINEERING LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(INR in Lacs)

NOTE - 20 : OTHER FINANCIAL LIABILITIES :		
Particulars	As at 31st March 2025	As at 31st March 2024
Other Payables	1,539.41	1,244.95
<b>TOTAL :</b>	<b>1,539.41</b>	<b>1,244.95</b>

NOTE - 21 : SHORT TERM PROVISIONS :		
Particulars	As at 31st March 2025	As at 31st March 2024
Provision for Employee Benefits		
Provision for Employee Benefits	1,158.76	1,032.54
Others		
Provision for Taxation (Net)	168.44	14.42
<b>TOTAL :</b>	<b>1,327.20</b>	<b>1,046.96</b>

NOTE - 22 : OTHER CURRENT LIABILITIES :		
Particulars	As at 31st March 2025	As at 31st March 2024
Other payables		
Statutory Payables	226.92	320.25
Advance from customers	8,777.59	7,079.57
<b>TOTAL :</b>	<b>9,004.51</b>	<b>7,399.82</b>



**M & B ENGINEERING LTD**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

(INR in Lacs)

<b>NOTE - 23 : REVENUE FROM OPERATIONS :</b>	<b>2024-25</b>	<b>2023-24</b>
<b>Sale of Products (Net of Returns)</b>		
-within India	83,690.57	71,468.46
-outside India	6,459.85	1,919.91
<b>Sale of Services</b>	8,705.01	6,117.62
<b>TOTAL :</b>	<b>98,855.43</b>	<b>79,505.99</b>

<b>NOTE - 24 : OTHER INCOME :</b>	<b>2024-25</b>	<b>2023-24</b>
Interest Income	467.37	521.07
Loss/Gain on Liquid Fund	46.79	447.94
Profit on Sale of Investment	40.71	17.75
Unrealised gain of fair value on equity instruments	47.10	133.08
Profit on Sale of Assets	-	4.06
Bad Debt Written Back	-	12.19
Export Incentives	53.92	26.52
Exchange Fluctuation (Net)	126.25	64.29
<b>Other Non-operating income :</b>		
Interest on Security Deposit	5.70	1.75
Interest on EMD Deposit	11.19	33.90
Miscellaneous Income	34.45	57.48
<b>TOTAL :</b>	<b>833.48</b>	<b>1,320.03</b>





**M & B ENGINEERING LTD**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

(INR in Lacs)

<b>NOTE - 25 :</b>	<b>2024-25</b>	<b>2023-24</b>
<b>(A) Cost of Material Consumed and Operational Expenses</b>		
-(i) Cost of Material Consumed	59,773.30	51,455.51
-(ii) Stores & Spares Consumed	487.25	465.47
-(iii) Operational Expenses ( Refer Statement : 1 )	7,226.41	5,795.96
<b>Total ( A )</b>	<b>67,486.96</b>	<b>57,716.94</b>
<b>(B) Changes in inventories of finished goods, work in progress and stock in trade :</b>		
Stock at the end of the year		
Work in Process	1,003.78	631.79
Stock in Trade	-	290.58
Finished Goods	1,262.15	1,646.47
	<b>2,265.93</b>	<b>2,568.84</b>
Stock at the beginning of the year		
Work in Process	363.77	1,102.97
Stock in Trade	290.58	113.55
Finished Goods	1,646.47	975.25
	<b>2,300.82</b>	<b>2,191.77</b>
<b>Total ( B )</b>	<b>34.89</b>	<b>(377.07)</b>

\*Stock at the end of the year of Work in Process for the year ended 31st March 2024 includes INR 268 Lakhs which relates to subsidiary sold during the financial year 2023-24.

<b>NOTE - 26 : EMPLOYEE BENEFIT EXPENSES :</b>	<b>2024-25</b>	<b>2023-24</b>
Salaries and Wages	8,837.08	7,278.91
Contribution to Provident and other Funds	432.85	396.03
Staff welfare	623.95	415.98
<b>TOTAL :</b>	<b>9,893.88</b>	<b>8,090.92</b>

<b>NOTE - 27 : FINANCE COST :</b>	<b>2024-25</b>	<b>2023-24</b>
Interest Expense	1,565.50	1,834.07
Bank Charges	397.31	462.29
Interest on lease liability	32.95	9.48
<b>TOTAL :</b>	<b>1,995.76</b>	<b>2,305.84</b>



M & B ENGINEERING LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(INR in Lacs)

NOTE - 28 : OTHER EXPENSES :	2024-25	2023-24
Power & Fuel	399.65	291.38
Rent	140.83	106.45
Repairs To :		
(i) Machinery	253.76	228.21
(ii) Building	124.00	9.35
(iii) Others	36.58	26.84
Insurance	136.93	104.10
Rates & Taxes	16.11	20.24
Director Sitting Fees	11.90	-
Auditor's Remuneration (Refer Note No: 30)	24.51	28.76
Postage, Telegram and Telephone	65.77	39.15
Stationery, Printing Expenses	57.80	83.38
Factory Expenses	95.63	110.19
Conveyance and Vehicle Expenses	617.46	459.14
Legal & Consultancy	672.57	360.24
Staff Recruitment & Staff Training Exps	26.34	26.99
Travelling Expenses	458.55	306.48
Electric Expense	25.26	24.25
Bad Debts	291.15	557.27
Sundry Balance written off	-	6.80
Advertisement & Publicity Expenses	36.69	22.45
Packing Expenses	59.38	44.18
Sales Commission	54.82	52.12
Net Loss on sale of Fixed Assets	13.58	-
Transportation Outward Expenses	1,773.20	1,458.86
Export Expenses	403.34	125.39
Miscellaneous Expenses	500.65	310.95
Manpower Supply	2,204.28	1,089.71
Security Expenses	104.45	62.71
Corporate Social Responsibility (Refer Note No: 40)	102.43	65.32
Donation	-	0.80
Exhibition Expenses	32.47	16.13
Sales Promotion Expenses	30.21	10.09
Conference Expenses	31.76	65.19
<b>TOTAL :</b>	<b>8,802.06</b>	<b>6,113.12</b>





M & B ENGINEERING LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(INR in Lacs)

Statement 1 : Operational Expenses :	2024-25	2023-24
Crane Hire Charges	1177.83	250.12
Entry Tax & Toll Tax	59.91	58.43
Labour Charges	254.90	76.13
Erection Charges	4351.25	4,315.13
Site Exp Diesel	386.58	297.70
Site Exp Lodging & Boarding	469.13	342.80
Site Exp Stationary	8.38	7.79
Site Exp-Conveyance	305.80	274.02
Site Exp-Maintainance	32.86	39.41
Site Exp-Others	179.70	134.36
Site Exp-Telephone	0.07	0.07
<b>TOTAL:</b>	<b>7,226.41</b>	<b>5,795.96</b>



M & B ENGINEERING LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(INR in Lacs)

NOTE - 29 : EARNINGS PER SHARE :	2024-25	2023-24
(a) Profit attributable to shareholders as per statement of Profit and Loss	7,704.75	4,563.41
(b) Weighted Average No. of equity shares used as denominator for calculating EPS	5,00,00,000	5,00,00,000
(c) Earnings per Share ( INR )		
Basic	15.41	9.13
Diluted	15.41	9.13
(d) Face Value per Equity share ( INR )	10.00	10.00

NOTE - 30 : AUDITOR'S REMUNERATION :	2024-25	2023-24
As Statutory Audit Fees	20.05	19.94
For IPO related services*	21.00	-
For Tax Audit Fees & Other Taxation Fee	0.45	0.30
For Certification Fees	2.04	0.77
For Other Matters	1.97	7.75
<b>TOTAL</b>	<b>45.51</b>	<b>28.76</b>

\*Fees paid for IPO related services form part of unamortised share issue expenses disclosed under current assets as per Note 11





M & B ENGINEERING LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note - 31 : RELATED PARTY DISCLOSURES UNDER IND AS-24 :

Related Parties	Nature of Relationship
M B Enterprise	Significant Influence
PHENIX ENGINEERING SERVICES PVT LTD.	Significant Influence
Manibhai Brothers	Significant Influence
Phenix Building Services	Significant Influence
Manibhai Brothers Sleepers	Significant Influence
Manibhai and Brothers PCC Sarkhej (Previously known as M & B Urban Estate)	Significant Influence
PBSPL SHEL JV	Significant Influence
Maxim Finance Private Limited	Significant Influence
Manibhai Brothers Finance Corporation	Significant Influence
Usha Prestressed Sleeper Udhog Piplo	Significant Influence
Giriraj Prestressed Private Limited	Significant Influence
Shrinathji Prestressed Private Limited	Significant Influence
L.V. Finance Private Limited.	Significant Influence
Manibhai Brothers Charitable Trust	Significant Influence
RR Enterprise	Significant Influence
Diya Enterprise	Significant Influence
Ashriya Enterprise	Significant Influence
Avichal Projects LLP	Significant Influence
Azka Pharmaceuticals Pvt Ltd	Significant Influence
Malavbhai G. Patel	Key Management Personnel
Girishbhai Manibhai Patel	Key Management Personnel
Vipinbhai Kantilal Patel	Key Management Personnel
Chirag Hasmukhbhai Patel	Key Management Personnel
Umaben G. Patel	Key Management Personnel
Birvaben C. Patel	Key Management Personnel
Birju Patel	Key Management Personnel
Hemant Modi	Key Management Personnel
Sanjay Majmudar	Key Management Personnel
Sonal Ambani	Key Management Personnel
Subir Das	Key Management Personnel
Udayan Chokshi	Key Management Personnel
Aditya V. Patel	Key Management Personnel
Pankaj Naresh	Key Management Personnel
Mayur Patel	Key Management Personnel
Keyur Shah	Key Management Personnel
Palak Parekh	Key Management Personnel
Diya C. Patel	Relatives of Key Management Personnel



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note - 31 : RELATED PARTY DISCLOSURES UNDER IND AS-24 : Continued  
Disclosure of Transactions between Company and Related Parties

(INR in Lacs)

Nature of Transaction	2024-25			2023-2024		
	Significant Influence	Key Managerial Personnel	Relative of Key Managerial Personnel	Significant Influence	Key Managerial Personnel	Relative of Key Managerial Personnel
Sale of goods	69.61	-	-	16,465.09	-	-
Deposit Given	0.20	-	-	-	-	-
Outstanding Receivables	115.87	-	-	351.16	-	-
Expenses Paid	2.42	-	-	205.75	-	-
Directors' Sitting Fees	-	11.90	-	-	-	-
Expenses Recovered	61.59	-	-	10.74	-	-
Interest on Loan Paid	-	10.37	-	776.93	142.68	2.83
Purchase of goods	0.63	-	-	1,359.45	-	-
Purchase of Services	64.99	-	-	-	-	-
Rent Paid	50.74	-	-	57.57	-	-
Unsecured Loan Taken	-	770.00	-	11,285.00	142.68	2.83
Repayment of Unsecured Loan Taken	-	825.82	-	20,089.82	1,582.90	346.97
Outstanding Payables	153.30	-	-	90.00	-	-
Remuneration	-	1,323.85	26.67	-	631.25	-
Salary paid	-	-	-	-	-	164.82
Sale of Service	21.84	-	-	-	-	-

Loans given to Specified borrowers (repayable on demand or without specifying any terms or period of repayment)

Particulars	2024-25		2023-2024	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans & Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans & Advances in the nature of loans
Promoters	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related Parties	-	-	-	-

Term Loan of INR 6,000 Lakhs from Kotak Mahindra Bank, Standard Chartered Bank and HDFC Bank is personally guaranteed by following Directors :

1. Mahav Girishbhai Patel
2. Girishbhai Manibhai Patel
3. Vipinbhai Karatilal Patel
4. Chirag Hasmukhbhai Patel





## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note - 31 : RELATED PARTY DISCLOSURES UNDER IND AS-24 : Continued  
Disclosure of Transactions between Company and Related Parties

(INR in Lacs)

Nature of Transaction	2024-25			2023-2024		
	Significant Influence	Key Managerial Personnel	Relative of Key Managerial Personnel	Significant Influence	Key Managerial Personnel	Relative of Key Managerial Personnel
Sale of goods	69.61	-	-	16,465.09	-	-
Deposit Given	0.20	-	-	-	-	-
Outstanding Receivables	115.87	-	-	351.16	-	-
Expenses Paid	2.42	-	-	200.75	-	-
Directors' Sitting Fees	-	11.90	-	-	-	-
Expenses Recovered	61.59	-	-	10.74	-	-
Interest on Loan Paid	-	10.37	-	776.93	142.68	2.83
Purchase of goods	0.63	-	-	1,359.45	-	-
Purchase of Services	64.99	-	-	-	-	-
Rent Paid	90.74	-	-	57.57	-	-
Unsecured Loan Taken	-	770.00	-	12,285.02	142.68	2.83
Repayment of Unsecured Loan Taken	-	825.82	-	20,089.82	1,582.90	346.97
Outstanding Payables	153.30	-	-	90.00	-	-
Remuneration	-	1,323.85	26.67	-	639.25	-
Salary paid	-	-	-	-	-	164.82
Sale of Service	21.84	-	-	-	-	-

Loans given to Specified borrowers (repayable on demand or without specifying any terms or period of repayment)

Particulars	2024-25		2023-2024	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans & Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans & Advances in the nature of loans
Promoters	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related Parties	-	-	-	-

Term Loan of INR 6,000 Lakhs from Kotak Mahindra Bank, Standard Chartered Bank and HDFC Bank is personally guaranteed by following Directors :

1. Mohav Girishbhai Patel
2. Girishbhai Manishbhai Patel
3. Vipinbhai Kantilal Patel
4. Chirag Hasmukhbhai Patel



M & B ENGINEERING LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note - 32 : DISCLOSURE REQUIRED UNDER IND AS 116:

(INR in Lacs)		
Particulars	2024-25	2023-24
Depreciation on ROU Assets	83.30	66.19
Interest on Lease Liabilities	32.95	9.48
Expense on Short-term Leases	110.75	77.95
Expense on Low-value Leases	7.97	11.40
Variable Lease Payments	-	-
Sublease Income	-	-
Total Cash Outflow for Leases	220.61	170.45
Additions to ROU Assets	484.24	-
Gain/Loss on Lease Modifications	-	-





## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note - 33 : REPAYMENT TERMS, INTEREST RATES &amp; NATURE OF SECURITY:

(INR in Lacs)

Name of Lender	Repayment Terms and Interest Rates	Nature of Security	As at 31st March 2025	As at 31st March 2024
<b>Term Loans :</b>				
Standard Chartered Bank	Repayable in 16 equal quarterly installments commencing from 26th June 2025. Interest Payable at 9.55%	First Charge on Pari Passu basis on Mortgage of Land & Building of Cheyyar Plant, Hypothecation of Plant & Machineries at Cheyyar Plant and guaranteed by Directors.	2,000.00	2,000.00
Kotak Mahindra Bank	Repayable in 24 equal quarterly installments commencing from 09th October 2025. Interest Payable at 8.85%	First Charge on Pari Passu basis on Mortgage of Land & Building of Cheyyar Plant, Hypothecation of Plant & Machineries at Cheyyar Plant and guaranteed by Directors.	2,000.00	2,000.00
HDFC Bank Limited	Repayable in 72 equal monthly installments commencing from 14th March 2026. Interest Payable at 8.70%	First Charge on Pari Passu basis on Mortgage of Land & Building of Cheyyar Plant, Hypothecation of Plant & Machineries at Cheyyar Plant and guaranteed by Directors.	2,000.00	-
<b>Vehicle Loans :</b>				
HDFC Bank Limited	Repayable in 39 equal monthly installments commencing on 05th December 2023. Interest Payable at 8.55%	Hypothecation of the vehicle.	121.47	177.39
HDFC Bank Limited	Repayable in 39 equal monthly installments commencing on 07th October 2023. Interest Payable at 8.80%	Hypothecation of the vehicle.	123.34	185.78
HDFC Bank Limited	Repayable in 39 equal monthly installments commencing on 07th December 2022. Interest Payable at 7.90%	Hypothecation of the vehicle.	10.19	20.50
ICICI Bank Limited	Repayable in 36 equal monthly installments commencing on 05th January 2022. Interest Payable at 8.50%	Hypothecation of the vehicle.	17.64	39.48
HDFC Bank Limited	Repayable in 39 equal monthly installments commencing on 05th October 2022. Interest Payable at 11.80%	Hypothecation of the vehicle.	6.68	18.72



**M & B ENGINEERING LTD**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

(INR in Lacs)

<b>NOTE - 34 : MATERIAL CONSUMED :</b>	<b>2024-25</b>	<b>2023-24</b>
HR Coils	7.15	61.93
HR Plates	21,792.25	18,807.27
Sheeting	24,442.62	18,255.07
Other Steel	5,296.81	7,517.99
Other material	8,234.47	6,813.25
<b>TOTAL</b>	<b>59,773.30</b>	<b>51,455.51</b>

<b>NOTE - 35 : CONTINGENT LIABILITY AND COMMITMENTS :</b>	<b>2024-25</b>	<b>2023-24</b>
<b>Contingent Liability:</b>		
Outstanding Bank Guarantee	10,330.99	11,238.24
<b>TOTAL</b>	<b>10,330.99</b>	<b>11,238.24</b>
<b>Commitments:</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for	456.72	61.20
<b>TOTAL</b>	<b>456.72</b>	<b>61.20</b>

\*Bank Guarantees consists on Advance Bank Guarantees (ABG) and Performance Bank Guarantees (PBG) issued by the bank on behalf of the Company in favour of its customers. The Advance Bank guarantees are issued when we are securing our advance against the order. The same is cancelled when prorata supply is made. Performance bank guarantees are issued to secure the performance against the job and it is normally issued at the end of the project against satisfactory performance and normally has a validity for a year.

<b>NOTE - 36 : VALUE OF IMPORTS ON C.I.F. BASIS DURING THE YEAR :</b>	<b>2024-25</b>	<b>2023-24</b>
(i) Materials Purchased	20,439.86	17,171.84
(ii) Components – spare parts	77.91	27.02
(iii) Capital Goods	341.76	366.09
<b>TOTAL</b>	<b>20,859.53</b>	<b>17,564.95</b>





M & B ENGINEERING LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(INR In Lacs)

NOTE - 37 : EARNING IN FOREIGN EXCHANGE ON ACCOUNT OF :	2024-25	2023-24
i) Earning in foreign exchange :	3,101.19	1,621.82
<b>TOTAL</b>	<b>3,101.19</b>	<b>1,621.82</b>

NOTE - 38 : EXPENDITURE IN FOREIGN CURRENCY ON ACCOUNT OF :	2024-25	2023-24
ii) Expenditure in foreign currency :		
– Foreign Travelling	157.91	53.20
– Interest	567.37	466.97
– Others	375.98	47.26
<b>TOTAL</b>	<b>1,101.26</b>	<b>567.43</b>



**M & B ENGINEERING LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

NOTE - 41: LIST OF SUBSIDIARY COMPANIES :	Shareholding as at	
	2024-25	2023-24
Phenix Construction Technologies INC	100%	100%
Phenix Building Solutions Private Ltd	100%	100%





## 92 Fair Value Measurements:

## A Accounting Classification and Fair Values

As at March 31, 2025 (INR in Lacs)

Particulars	Carrying Value					Fair Value			
	At Cost	Amortised Cost	FVTPL	FVTOCI	Total	Level 1	Level 2	Level 3	Total
Investments	-	-	510.62	-	510.62	510.62	-	-	510.62
Loans	-	56.29	-	-	56.29	-	56.29	-	56.29
Trade Receivables	-	19,235.64	-	-	19,235.64	-	19,235.64	-	19,235.64
Cash and Cash Equivalents	-	2,963.53	-	-	2,963.53	-	2,963.53	-	2,963.53
Other Bank Balances	-	5,517.99	-	-	5,517.99	-	5,517.99	-	5,517.99
Other Financial Assets	-	512.47	-	-	512.47	-	512.47	-	512.47
<b>Total Financial Assets</b>	-	<b>28,285.92</b>	<b>510.62</b>	-	<b>28,796.54</b>	<b>510.62</b>	<b>28,285.92</b>	-	<b>28,796.54</b>
Borrowings (incl. Current Maturities)	-	18,613.29	-	-	18,613.29	-	18,613.29	-	18,613.29
Lease Liabilities	-	464.44	-	-	464.44	-	464.44	-	464.44
Trade Payable	-	22,664.23	-	-	22,664.23	-	22,664.23	-	22,664.23
Other Financial Liabilities	-	1,539.41	-	-	1,539.41	-	1,539.41	-	1,539.41
<b>Total Financial Liabilities</b>	-	<b>43,281.37</b>	-	-	<b>43,281.37</b>	-	<b>43,281.37</b>	-	<b>43,281.37</b>

As at March 31, 2024 (INR in Lacs)

Particulars	Carrying Value					Fair Value			
	At Cost	Amortised Cost	FVTPL	FVTOCI	Total	Level 1	Level 2	Level 3	Total
Investments	-	-	689.88	-	689.88	689.88	-	-	689.88
Loans	-	75.59	-	-	75.59	-	75.59	-	75.59
Trade Receivables	-	13,895.97	-	-	13,895.97	-	13,895.97	-	13,895.97
Cash and Cash Equivalents	-	7,344.12	-	-	7,344.12	-	7,344.12	-	7,344.12
Other Bank Balances	-	2,579.06	-	-	2,579.06	-	2,579.06	-	2,579.06
Other Financial Assets	-	375.84	-	-	375.84	-	375.84	-	375.84
<b>Total Financial Assets</b>	-	<b>24,270.58</b>	<b>689.88</b>	-	<b>24,960.46</b>	<b>689.88</b>	<b>24,270.58</b>	-	<b>24,960.46</b>
Borrowings (incl. Current Maturities)	-	20,484.10	-	-	20,484.10	-	20,484.10	-	20,484.10
Lease Liabilities	-	64.41	-	-	64.41	-	64.41	-	64.41
Trade Payable	-	9,331.37	-	-	9,331.37	-	9,331.37	-	9,331.37
Other Financial Liabilities	-	1,244.95	-	-	1,244.95	-	1,244.95	-	1,244.95
<b>Total Financial Liabilities</b>	-	<b>31,124.83</b>	-	-	<b>31,124.83</b>	-	<b>31,124.83</b>	-	<b>31,124.83</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**B Measurement of Fair Values****i Investments in Associate and Subsidiaries**

Investments in Associate and Subsidiaries have been accounted at historical cost. Since these are scoped out of Ind AS 109 for the purposes of measurement, the same have not been disclosed under fair value classification.

**ii Financial Instrument measured at Amortised Cost**

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are reasonable approximation of their fair values since the company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

**iii Levels 1, 2 and 3 : Valuation Techniques and Key Inputs**

Level 1 : It includes Investment that has a quoted price and which are actively traded on the stock exchanges. It is being valued using the closing price as at the reporting period on the stock exchanges.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise 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.

**iv There have been no transfers between level 1, 2 and 3 during the years.****42.1 Financial Risk Management**

The Company's financial liabilities comprise mainly of borrowings, trade and other payables and financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks, loans, trade and other receivables.

The Company is exposed to Market risk, Credit risk and Liquidity risk. The Board of the Company monitors the risk as per risk management policy. Further they also have oversight in the area of financial risks and controls.

The following disclosures summarize the Company's exposure to financial risks. Quantitative sensitivity analysis have been provided to reflect the impact of reasonably possible changes in market rates on the financial results, cash flows and financial position of the Company.

**A Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk includes borrowings, investments, trade payables, trade receivables and loans.

Within the various methodologies to analyse and manage risk, Company has implemented a system based on "sensitivity analysis" on symmetric basis. This tool enables the risk managers to identify the risk position of the entities. Sensitivity analysis provides an approximate quantification of the exposure in the event that certain specified parameters were to be met under a specific set of assumptions. The risk estimates provided here assume:

- a parallel shift of 100-basis points of the interest rate yield curves in major currencies.
- a simultaneous, parallel foreign exchange rates shift in which the INR appreciates / depreciates against all currencies by 5%
- 10% increase / decrease in prices of all investments traded in an active market, which are classified as financial asset measured at FVTPL.

The potential economic impact, due to these assumptions, is based on the occurrence of adverse / inverse market conditions and reflects estimated changes resulting from the sensitivity analysis. Actual results that are included in the Statement of profit and loss may differ materially from these estimates due to actual developments in the global financial markets.

The analyses exclude the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations and provisions.

The following assumption has been made in calculating the sensitivity analysis:

The sensitivity of the relevant statement of profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2025 and March 31, 2024.





## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## I Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Summary of interest bearing financial assets and financial liabilities has been provided below:

Particulars	(INR in Lacs)	
	As at 31-Mar-25	As at 31-Mar-24
<b>Financial Assets</b>		
Loans	56.29	75.59
Security Deposits	466.16	352.09
	522.45	427.68
<b>Financial Liabilities</b>		
Borrowings (Including current maturities)	18,613.29	20,484.10
Lease Liability	464.44	64.41
	19,077.73	20,548.51

## Interest Rate Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of change in interest rates. The following table demonstrates the sensitivity of floating rate financial instruments to a reasonably possible change in interest rates. The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

## Impact on Profit after Tax

Particulars	(INR in Lacs)	
	2024-25	2023-24
Increase in 100 basis points	(138.85)	(150.56)
Decrease in 100 basis points	138.85	150.56

## II Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company transacts business in foreign currencies (primarily USD and EURO). Consequently, the Company has foreign currency trade and other payables, receivables and Loans and is therefore exposed to foreign exchange risk. The Company manages its foreign currency risk by following the policies approved by board as per established risk management policy. The carrying amounts of the Company's foreign currency denominated monetary items are as follows:

## B Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk primarily trade receivables, loans and other financial assets including deposits with banks. Credit risk arising from trade receivables is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management.

## Trade Receivables

Customer credit risk is managed by each business unit subject to the Company's established policy and procedures. Trade receivables are non-interest bearing. Historical experience of collecting receivables of the Company is supported by low level of past default and hence the credit risk is perceived to be low.

## Reconciliation of loss allowance provision – Trade receivables

Particulars	(INR in Lacs)	
	As at March 31, 2025	As at March 31, 2024
Loss allowance as at beginning of the period	-	-
Changes in Loss allowance	-	-
Loss allowances as at end of the period	-	-

## Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's finance department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties. Credit risk arising from these financial assets is perceived to be very low.

## Other financial assets

This comprises mainly of deposits, Loans to employees and other intercompany receivables. Credit risk arising from these financial assets is limited.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## C Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing from both banks and financial institutions at an optimised cost.

The table below analysis non-derivative financial liabilities of the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed under the ageing buckets are the contractual undiscounted cash flows and includes contractual interest payments.

(INR in Lacs)

Particulars	Carrying amount	Less than 12 months	More than 12 months	Total
<b>As at March 31, 2025</b>				
<b>Financial Liabilities</b>				
Borrowings	18,613.29	13,191.98	5,421.31	18,613.29
Trade Payables	22,664.23	22,563.52	100.71	22,664.23
Other Financial Liabilities	1,539.41	1,539.41	-	1,539.41
<b>Total</b>	<b>42,816.93</b>	<b>37,294.91</b>	<b>5,522.02</b>	<b>42,816.93</b>
<b>As at March 31, 2024</b>				
<b>Financial Liabilities</b>				
Borrowings	20,484.10	16,095.82	4,388.28	20,484.10
Trade Payables	9,331.37	9,273.41	57.96	9,331.37
Other Financial Liabilities	1,244.95	1,244.95	-	1,244.95
<b>Total</b>	<b>31,060.42</b>	<b>26,614.18</b>	<b>4,446.24</b>	<b>31,060.42</b>

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Entity's liquidity risk management as the liquidity is managed on a net asset and liability basis.

(INR in Lacs)

Particulars	Carrying amount	Less than 12 months	More than 12 months	Total
<b>As at March 31, 2025</b>				
<b>Financial Assets</b>				
Investments	510.62	-	510.62	510.62
Loans	56.29	26.29	30.00	56.29
Trade Receivables	19,235.64	16,362.56	2,873.08	19,235.64
Cash and Cash Equivalents	2,963.53	2,963.53	-	2,963.53
Other Bank Balances	5,517.99	5,517.99	-	5,517.99
Other Financial Assets	512.47	46.31	466.16	512.47
<b>Total</b>	<b>28,796.54</b>	<b>24,916.68</b>	<b>3,879.86</b>	<b>28,796.54</b>
<b>As at March 31, 2024</b>				
<b>Financial Assets</b>				
Investments	689.88	-	689.88	689.88
Loans	75.59	45.59	30.00	75.59
Trade Receivables	13,895.97	11,293.14	2,602.83	13,895.97
Cash and Cash Equivalents	7,344.12	7,344.12	-	7,344.12
Other Bank Balances	2,579.06	2,579.06	-	2,579.06
Other Financial Assets	375.84	23.75	352.09	375.84
<b>Total</b>	<b>24,960.46</b>	<b>21,285.66</b>	<b>3,674.80</b>	<b>24,960.46</b>

## 42.2 Capital Management

The Company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital.

The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total borrowings, less cash and cash equivalents. Adjusted equity comprises all component of equity. The company's adjusted net to debt equity ratio is as follows:

(INR in Lacs)

Particulars	As at 31st March 2025	As at 31st March 2024
Total Borrowings	18,613.29	20,484.10
Less: Cash and Cash equivalents	2,963.53	7,344.12
Adjusted Net debt	15,649.76	13,139.98
Total Equity	30,653.66	23,303.32
Adjusted Net debt to equity ratio	51.05%	56.39%





## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 43 Ratio Analysis:

Sr.No.	Particulars	Numerator	Denominator	2024-2025	2023-2024	Variance	Remarks
1	Current ratio (in times)	Total current assets	Total current liabilities	1.38	1.36	1.53%	
2	Debt-Equity ratio (in times)	Debt consists of borrowings and lease liabilities	Total Equity	0.62	0.88	-29.42%	1
3	Debt service coverage ratio (in times)	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments + Principal repayments	6.66	4.03	65.31%	1
4	Return on equity ratio (in %)	Profit for the year less Preference dividend (if any)	Total Equity	25.13%	19.58%	28.35%	2
5	Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	5.97	6.16	-3.13%	
6	Trade payables turnover ratio (in times)	Cost of operation (Reduced by Employee Benefits, Finance Cost & Depreciation) + Other expenses	Average trade payables	4.77	5.58	-14.50%	
7	Net capital turnover ratio (in times)	Revenue from operations	Net working capital (i.e. Total current assets less Total current liabilities)	5.40	6.24	-13.55%	
8	Net profit ratio (in %)	Profit for the year	Total Revenue	7.73%	5.65%	36.89%	2
9	Return on capital employed (in %)	Profit before tax and finance costs	Capital employed = Total Assets (-) Current Liabilities	32.94%	29.82%	10.46%	
10	Return on investment (in %)	Income generated from invested funds	Average invested funds in treasury investments	9.01%	3.81%	136.40%	3

1. Increase in earnings & reduction in utilisation of working capital loans.
2. Increase in earnings resulting into better return on equity.
3. Profit on sell off of investments has resulted into higher returns.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 44 Disclosure pursuant to Ind AS-19 'Employee Benefits':

As per Ind AS 19 "Employee Benefits", the disclosures of Employee benefits as defined in the Accounting standard are given below:

## (a) Defined Contribution Plans

Contribution to Defined Contribution plan, recognized as expense for the year is as under:

During the year, the company has recognized the following amounts in the Profit & Loss Account:

(INR in Lacs)

Particulars	Year 2024-2025	Year 2023-2024
Employer's Contribution to Provident Fund	402.01	347.13

## (b) Defined Benefit Plans

## (i) Reconciliation of opening and closing balance of Defined Benefit Obligations:

Particulars	Year 2024-2025 Gratuity	Year 2023-2024 Gratuity
Opening Defined Benefit Obligation	669.80	536.17
Interest Cost	48.43	40.21
Current Service Cost	58.18	46.58
Past service cost	-	-
Benefit Paid	-	(54.91)
Actuarial Gain / Loss	109.83	111.75
Closing Defined Benefit Obligation	886.24	669.80

## (ii) Reconciliation of opening and closing balances of Fair Value of Planned Assets

Particulars	Year 2024-2025 Gratuity	Year 2023-2024 Gratuity
Opening value of plan assets	667.99	534.12
Expected return	48.30	40.06
Actuarial gain (Loss)	3.27	1.50
Contributions by employer	113.04	92.31
Benefits paid	-	-
Closing value of planned assets	832.60	667.99

## (iii) Reconciliation of Fair Value of Assets and Obligations:

Particulars	Year 2024-2025 Gratuity	Year 2023-2024 Gratuity
Define Benefit Obligation	886.24	669.80
Fair value of Planned assets	832.60	667.99
Less : Unrecognized past service cost	-	-
Amount Recognized in Balance Sheet	53.64	1.81

## (iv) Expense Recognized during the year:

Particulars	Year 2024-2025 Gratuity	Year 2023-2024 Gratuity
Current Service Cost	58.18	46.58
Interest Cost	0.13	0.15
Expected return on planned assets	-	-
Past year cost-vested	-	-
Net Actuarial (Gain) / Loss Recognized in the year	105.56	110.24
Closing Defined Benefit Obligation	164.87	156.97





(v) Actuarial Assumptions:

Particulars	Year 2024-2025	Year 2023-2024
Discount Rate	6.78%	7.23%
Salary Escalation	4.00%	4.00%
Rate of Return on Plan Asset	6.78%	7.23%
Employee Turnover	For service 2 years and below 32.00% p.a. For service 3 years to 4 years 20.00% p.a. For service 5 years and above 3.00% p.a.	For service 2 years and below 32.00% p.a. For service 3 years to 4 years 23.00% p.a. For service 5 years and above 3.00% p.a.
Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Life Mortality 2012-14 (Urban)

(vi) Sensitivity Analysis

(INR in Laacs)

Particulars	Year 2024-2025	Year 2023-2024
Defined Benefit Obligation on Current Assumptions	886.24	669.80
Delta Effect of +1% Change in Rate of Discounting	(79.23)	(57.88)
Delta Effect of -1% Change in Rate of Discounting	92.55	67.37
Delta Effect of +1% Change in Rate of Salary Increase	83.32	63.85
Delta Effect of -1% Change in Rate of Salary Increase	(75.06)	(55.47)
Delta Effect of +1% Change in Rate of Employee Turnover	14.46	20.35
Delta Effect of -1% Change in Rate of Employee Turnover	(16.36)	(22.89)

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the Defined 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.

Furthermore, in presenting the above sensitivity analysis, the present value of the Defined Benefit Obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the Defined Benefit Obligation as recognized in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

As per our report of even date attached,

For and on behalf of Board of Directors

Chirag Hasmukhbhai Patel  
Joint Managing Director  
DIN: 00260514

Malav Girishbhai Patel  
Joint Managing Director  
DIN: 00260602

Pankaj Narash  
Chief Executive Officer

Mayur Satishbhai Patel  
Chief Executive Officer

Keyur Bachubhai Shah  
Chief Financial Officer  
Place : Ahmedabad  
Date : July 14, 2025

Palak Dilipbhai Parekh  
Company Secretary

For Talati & Talati LLP  
Chartered Accountants  
(Firm Reg. No : 110758W/W100377)

Umesh Talati  
(Partner)  
Membership Number : 034834

Place : Ahmedabad  
Date : July 14, 2025



9	Re-appointment of Mr. Malav Girishbhai Patel (DIN: 00260602) as a Joint Managing Director for a period of 3 Years, not liable to Retire by Rotation			
10	Re-appointment of Mr. Girishbhai Manibhai Patel (DIN: 00261624), as Whole-time Director for a period of 3 Years, liable to retire by rotation			
11	Approval of amendments in 'M&B Engineering Limited Employee Stock Option Plan 2024'			
12	To approve grant of employee stock options to the employees of Group Company(ies) including its subsidiary companies or associate companies, or holding company) under the 'M&B Engineering Limited Employee Stock Option Plan 2024' as amended			

Place:

Date:

(Signature of the Shareholder/Proxy)

**Note:** This Form is to be used for exercising attendance/ voting at the time of 43<sup>rd</sup> Annual General Meeting to be held on Tuesday, the 15<sup>th</sup> July, 2025 by shareholders/proxy. Duly filled in and signed ballot form should be dropped in the Ballot box kept at the venue of AGM.



**M & B ENGINEERING LIMITED**

[CIN: U45200GJ1981PLC004437]

Registered Office: MB House, 51, Chandrodaya Society, Stadium Road, Ahmedabad – 380 014 (Gujarat)

**FORM MGT-11****PROXY FORM**[Pursuant to Section 105(6) of the Companies Act, 2013 and  
Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member (s):

Registered Address:

Email Id:

Folio No.:

I/We, being the member (s) of ..... Shares of the above-named Company, hereby appoint:

1. Name: ..... Address: .....

Email Id: ..... Signature: ..... or failing him

2. Name: ..... Address: .....

Email Id: ..... Signature: .....

as my/ our proxy to attend and vote (on a poll) for me as me/us and on my/ our behalf at the 43<sup>rd</sup> Annual General Meeting of the Company, to be held on Tuesday the 15<sup>th</sup> July, 2025 at 9:30 AM at the Registered Office of the Company at MB House, 51, Chandrodaya Society, Stadium Road, Ahmedabad – 380 014 (Gujarat) and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	Optional	
		For	Against
Ordinary Businesses			
1	Adoption of the Audited Financial Statements of the Company for the financial year ended 31 <sup>st</sup> March, 2025, the reports of the Board of Directors and Auditors thereon.		
2	Re-appointment of Mr. Vipinbhai Kantilal Patel (DIN: 00260734), liable to retire by rotation and being eligible, offers himself for re-appointment.		
Special Businesses			
3	Consideration of Remuneration payable to Cost Auditors of the Company pursuant to Section 148 of the Companies Act, 2013.		
4	Appointment of M/s. Kashyap R. Mehta & Partners, Company Secretaries, Ahmedabad (FRN: P2025GJ106000) (Peer Review Number: 6827/2025) as Secretarial Auditor of the company for a period of 5 Years		
5	Increase in Remuneration of Ms. Diya Patel, holding an Office or Place of Profit of the Company		
6	Appointment of Mr. Sanjay Shaileshbhai Majmudar (DIN: 00091305) as a Non – Executive Non- Independent Director, liable to retire by rotation		
7	Continuation of directorship of Mr. Vipinbhai Kantilal Patel (DIN: 00260734), aged 77 years, as a Non-Executive Non-Independent Director, liable to retire by rotation		
8	Re-appointment of Mr. Chirag Hasmukhbhai Patel (DIN: 00260514) as a Joint Managing Director for a period of 3 Years, not liable to Retire by Rotation		

9	Re-appointment of Mr. Malav Girishbhai Patel (DIN: 00260602) as a Joint Managing Director for a period of 3 Years, not liable to Retire by Rotation		
10	Re-appointment of Mr. Girishbhai Manibhai Patel (DIN: 00261624), as Whole-time Director for a period of 3 Years, liable to retire by rotation		
11	Approval of amendments in 'M&B Engineering Limited Employee Stock Option Plan 2024'		
12	To approve grant of employee stock options to the employees of Group Company(ies) including its subsidiary companies or associate companies, or holding company) under the 'M&B Engineering Limited Employee Stock Option Plan 2024' as amended		

Signed this ..... day of ..... 2025

Signature of Shareholder.....

Signature of Proxy holder(s) (1)..... (2).....

Affix  
Revenue  
Stamp  
here

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



