M & B ENGINEERING LIMITED
[CIN: U45200GJ1981PLC004437]

Notice is hereby given that the 42nd Annual General Meeting of the Shareholders of M & B Engineering Limited (the "**Company**") will be held at the Registered Office of the Company on Thursday the 6th June, 2024 at 4.30 PM 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 31st March, 2024 the reports of the Board of Directors and Auditors thereon.

2. To appoint a Director in place of Mr. Girishbhai Manibhai Patel (DIN: 00261624), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offers himself for re-appointment.

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 139 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder, M/s. Talati & Talati LLP, Chartered Accountants (FRN: 110758W/W100377), be and are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this 42nd Annual General Meeting (AGM) till the conclusion of the 47th AGM of the Company to be held in the year 2029, at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors."

SPECIAL BUSINESSES:

4. To consider and, if thought fit, to pass with or without modification, the following Resolution as an **Special 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 2024-25, 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."

5. 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 13, 61, 64 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 and the rules and regulations made thereunder, each as amended, (the "Companies Act"), and other applicable law if any, and articles of association of the Company, the consent of the members of the Company be and is hereby accorded for increase in the Authorised Share Capital of the Company from existing Rs. 75,00,00,000/- (Rupees Seventy-Five Crores only) divided into 7,50,00,000 (Seven Crore Fifty Lakh only) Equity Shares of face value Rs.10 (Ten only) each to Rs. 80,00,00,000/- (Rupees Eighty Crores only) divided in to 7,50,00,000 (Seven Crore Fifty Lakh) Equity Shares of face value Rs.10 (Ten only) each and 50,00,000 (Fifty Lakh) Preference Shares of face value Rs. 10 (Ten only) each, ranking *pari passu* in all respect with the existing Equity Shares of the Company as per the memorandum and articles of association of the Company."

"RESOLVED FURTHER THAT the consent of the Members of the Company be and is hereby accorded, for the alteration of Clause V of the Memorandum of Association of the Company by substituting in its place, the following:

"V. The Authorised Share Capital of the Company is Rs. 80,00,00,000/- (Rupees Eighty Crores only) divided into 7,50,00,000 (Seven Crore Fifty Lakh) Equity Shares of Rs.10/- (Ten only) each and 50,00,000 (Fifty Lakh) Preference Shares of Rs. 10/- (Ten only) each."

"RESOLVED FURTHER THAT Mr. Chirag Hasmukhbhai Patel, Chairman & Joint Managing Directorand Mr. Malav Girishbhai Patel, Joint Managing Director be and is hereby severally authorised to make application, file forms, etc. do all such acts, deeds, matters and things as may be required to be done to give effect to the above resolution including filing of necessary forms with the Registrar of Companies, Gujarat at Ahmedabad."

"RESOLVED FURTHER THAT any of the Directors and/or the Company Secretary and Compliance Officer is authorised to certify the true copy of the aforesaid resolutions and the same may be forwarded to any concerned authorities for necessary action."

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

"RESOLVED THAT pursuant to provisions of Sections 149, 150,152, and 161 read with Schedule IV of the Companies Act, 2013 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. Birju Maheshbhai Patel (DIN: 06803409), possesses relevant expertise and experience and who has provided his consent to act as an independent director of the Company for a second term of 5 (five) consecutive years, if re-appointed and submitted a declaration that he meets the criteria for appointment as an independent director under the Companies Act and who is eligible for re-appointment, be and is hereby re-appointed as an independent director of the Company for a second term of 5 (five) consecutive years from 6th June, 2024, till 5th June, 2029 and the terms of appointment shall be in accordance with the appointment letter."

"RESOLVED FURTHER THAT the Company takes note of the consent letter received from Birju Maheshbhai Patel providing his consent to act as an independent director of the Company."

"RESOLVED FURTHER THAT, the Company takes note of the declaration in writing from Mr. Birju Maheshbhai 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 the Company notes the declaration in writing from Mr. Birju Maheshbhai Patel confirming that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013 and the Board hereby recommends the re-appointment of Mr. Birju Maheshbhai Patel as an independent director to the shareholders of the Company for their approval."

"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. Birju Maheshbhai Patel and the certificate issued by the Indian Institute of Corporate Affairs, in compliance with Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014."

"RESOLVED FURTHER THAT the Company takes note of the recommendation of the re-appointment of Mr. Birju Maheshbhai Patel as an 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 Section 5, Section 14 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, each as amended, (the "Companies Act"), and other applicable law if any and in order to align the articles of association with the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, and the listing requirements of the stock exchange(s) where the securities of the Company are proposed to be listed and in accordance with the enabling provisions of the memorandum of association and articles of association, subject to receipt of any necessary statutory approvals from any statutory, regulatory or governmental authority and subject to the applicable provisions of any other applicable law, the consent and approval of the shareholders be and is hereby accorded for substitution of the existing set of Articles of Association of the Company with the new set of Articles of Association of the Company, as placed before the board of directors of the Company, and the same be adopted as new Articles of Association of the Company, in total exclusion and substitution of the existing Articles of Association of the Company."

"RESOLVED FURTHER THAT Mr. Chirag Hasmukhbhai Patel, Chairman & Joint Managing Directorand Mr. Malav Girishbhai Patel, Joint Managing Director be and is hereby severally authorised to do all such acts, deeds, matters and things as may be required to be done to give effect to the above resolution including filing of necessary forms with the Registrar of Companies, Gujarat at Ahmedabad."

"RESOLVED FURTHER THAT any of the Directors and/or the Company Secretary and Compliance Officer is authorised to certify the true copy of the aforesaid resolutions."

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 applicable provisions of Foreign Exchange Management Act, 1999, as amended ("FEMA"), Foreign Exchange Management (Non-debt Instruments) Rules, 2019, as amended, the Consolidated FDI Policy Circular of 2020 issued by the Department for Promotion of Industry and Internal Trade, Government of India), and the Companies Act, 2013, as amended, and the rules and regulations notified thereunder (collectively referred to as the "Companies Act") and subject to all applicable approvals, permissions and sanctions of the Reserve Bank of India ("RBI"), the Ministry of Finance, the Ministry of Corporate Affairs, Government of India and other concerned authorities and subject to such conditions as may be prescribed by any of the said concerned authorities while granting such approvals, permissions or sanctions which may be agreed to by the board of directors of the Company ("Board"), the consent and approval of the shareholders of the Company be and is hereby accorded to increase the limit of investment by non-resident Indian ("NRIs") and overseas citizen of India ("OCIs") in the equity shares bearing face value of ₹ 10 each of the Company, including, without limitation, by subscription in the initial public offering in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended is increased from 10% to 24% of the paid-up equity share capital of the Company."

"RESOLVED FURTHER THAT, to give effect to the above resolutions, Mr. Chirag H. Patel, Chairman & Joint Managing Director and Mr. Malav G. Patel, Joint Managing Director, be and are hereby jointly and severally authorised to do all such acts, deeds, matters and things, including to settle any question, difficulty or doubt that may arise and to finalise and execute all documents and writings as may be necessary."

"RESOLVED FURTHER THAT, a copy of the above resolution, certified to be true by any Director or the Company Secretary and Compliance Officer, be forwarded to concerned authorities for necessary actions."

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 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 read with rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) ("the Act"), the Memorandum and Articles of Association of the Company, the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended from time to time (hereinafter referred to as "SEBI SBEB Regulations"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (hereinafter referred to as "SEBI Listing Regulations") the circulars/guidelines issued by the Securities and Exchange Board of India ("SEBI"), the provisions of the Foreign Exchange Management Act, 1999 ("FEMA") and such other rules, regulations, guidelines, notifications and laws as may be applicable and subject to such approvals, consent, permissions, sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by the above authorities while granting such approval, permissions, consents and sanctions and which may be agreed to and accepted by the Board of Directors of the company (hereinafter referred to as the "Board" which term shall be deemed to include any committee thereof, including the Nomination and Remuneration Committee ("NRC") constituted by the Board, for the time being exercising the powers conferred on the Board, including the powers conferred by this resolution) approval and the consent of the shareholders is hereby accorded to introduce and implement the "M&B Engineering Limited Employee Stock Option Plan 2024" (hereinafter referred to as the "ESOP 2024", "scheme" or "plan") and to create, offer, and grant from time to time and in one or more tranches up to 7,50,000 (Seven Lakh Fifty Thousand) employee stock options ("ESOPs/Options") of the Company, being 1.5% of the total outstanding equity shares of the Company as at 31st March, 2024 ("ESOP Pool"), to such persons who are an employees of the Company or of subsidiary, as designated by the Company, who is exclusive working in India or outside India, including a director, whether whole time director or not, including a non-executive director but excluding promoter director or an independent director within the meaning of Companies Act, 2013 or a member of the promoter group and directors holding directly or indirectly more than 10% of the issued and subscribed Equity Shares of the Company and selected by the Board in its sole and absolute discretion ("Eligible Employees"), exercisable into not more than 7,50,000 (Seven Lakh Fifty Thousand) fully paid-up equity shares of the Company in aggregate of face value ₹ 10/- (Rupees Ten Only) each, at such price(s) through direct route and on such terms and conditions and in the manner set out in the draft Plan and on such terms and conditions and in such trenches as may be decided by the Board and in accordance with the provisions of the M&B Engineering Limited Employee Stock Option Plan 2024, SEBI SBEB Regulations and in due compliance with other applicable laws and regulations.

"RESOLVED FURTHER THAT the new Equity Shares to be issued and allotted by the Company upon exercise of Options from time to time in accordance with the Scheme shall rank pari-passu in all respects with the then existing Equity Shares of the Company."

"RESOLVED FURTHER THAT the number of options that may be granted to identified employees, during any one financial year, under the Scheme shall not equal to or exceed 1% (One percentage) of the total issued equity share capital (excluding outstanding warrants and conversions) of the Company at the time of grant of options except prior approval from shareholders by way of separate resolution in the general meeting."

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

"RESOLVED FURTHER THAT the options that have lapsed either by reason of non-vesting/non-exercise be added to the ESOP Pool for future grants."

"RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, change in capital structure, merger and/or sale of division/undertaking or other re-organization and others, if any, resulting in the increase or decrease in the equity share capital of the Company then a fair and reasonable adjustment to the ESOP Pool shall be deemed to be increased or decreased in proportion to the resultant Equity Shares pursuant to the aforesaid corporate action(s) and consequently the grant to Employee(s) shall be adjusted accordingly without affecting any other rights or obligations of an Employee(s)."

"RESOLVED FURTHER THAT in case the equity shares of the Company are either sub-divided or consolidated, the number of equity shares to be transferred on exercise of Options granted and the price of acquisition payable by the option grantees under the Scheme shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of ₹ 10/- (Rupees Ten Only) per equity share shall bear to the revised face value of the equity shares of the Company after such subdivision or consolidation, without affecting any other rights or obligations of the option grantees."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to modify, change, vary, alter, amend, revise, suspend, withdraw, revive or terminate the Scheme as it may deem fit, from time to time in its sole and absolute discretion in conformity with the applicable laws and regulations and the Memorandum and Articles of Association and to do all such acts, deeds and things and execute all such deeds, documents and writings at its absolute discretion deems necessary, provided such variations, modifications, alterations or revisions are not detrimental to the interests of the Employees."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to bring into effect the M&B Engineering Limited Employee Stock Option Plan 2024 as per the terms approved in this resolution and at any time to modify, change, vary, alter, amend, suspend or terminate the Scheme subject to the compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things as it may in its absolute discretion deem 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 Scheme and do all other things incidental and ancillary thereof."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things, as it may in its absolute discretion, deem necessary including authorizing or directing to appoint various intermediaries, advisors, consultants or representatives for effective implementation and administration of the Scheme as also to make applications to the appropriate authorities, parties and the institutions for their requisite approvals and all other documents required to be filed in the above connection and to settle all such questions or difficulties whatsoever which may arise and take all such steps and decisions in this regard."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to represent the Company for carrying out any or all of the activities that the Board is authorized to do for the purpose of giving effect to this resolution."

"RESOLVED FURTHER THAT the Board may delegates all or any powers conferred herein, to the Nomination and Remuneration Committee and to further delegate to any executives/officers of the Company to do all such acts, deeds, matters and things as also to execute such documents, writings, etc. as may be necessary in this regard."

"RESOLVED FURTHER THAT the Board and/or any person as authorized by the Board be and are hereby severally authorized to do all such acts, deeds, matters and things as may be necessary or expedient including filing of necessary documents, intimations including e-forms with regulatory authorities and to settle any questions, difficulties or doubts that may arise in this regard at any stage in connection to the Scheme."

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

"RESOLVED that based on the recommendation of the Nomination and Remuneration Committee and pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 ('Act') read with the relevant Rules made thereunder, the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 read with all circulars and notifications issued thereunder ('SBEB Regulations'), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the applicable provisions of the Foreign Exchange Management Act, 1999, the rules and regulations framed thereunder and any rules, circulars, notifications, guidelines and regulations issued by Reserve Bank of India, as amended and enacted from time to time, the relevant provisions of the Memorandum and Articles of Association of the Company and subject to such other approvals permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, consent of the Members 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, which the Board has constituted to exercise its powers including the powers conferred by this resolution and Regulation 5 of the SBEB Regulations and Listing Regulations) to extend the benefit and coverage and to offer, issue, grant and allot from time to time, in one or more tranches, employee stock options ('Options') under 'M&B Engineering Limited Employee Stock Option Plan 2024 to the eligible employees of the subsidiary company(ies) who are working on exclusive basis in India and/or outside India (other than employee who is a promoter or person belonging to the promoter group of the Company, Independent Directors and Director(s) holding directly or indirectly more than 10% of the outstanding equity shares of the Company), within the ceiling of total number of Options and equity shares, as specified in ESOP 2024 along with such other terms and in such manner in accordance with the provisions of the applicable laws and the provisions of ESOP 2024."

"RESOLVED FURTHER that the Board be and is hereby authorised to modify, change, vary, alter, amend, suspend or terminate the Plan at any time subject to compliance with applicable laws and regulations and further subject to consent of the Members by way of special resolution to the extent required under SBEB Regulations, and to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion, 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 thereto in conformity with the provisions of the Act, SBEB Regulations, the relevant provisions of the Memorandum and Articles of Association of the Company and any other applicable laws in force."

By order of the Board,

Registered Office:
MB House, 51,
Chandrodaya Society,
Stadium Road,
Ahmedabad – 380 014.
Date: 6th June, 2024

Palak D. Parekh
Company Secretary & Compliance Officer

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 42ND ANNUAL GENERAL MEETING DATED 6TH JUNE, 2024:

In respect of Item No. 4:

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. 4 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. 4 of the accompanying Notice, for your approval as an Ordinary Resolution

In respect of Item No. 5:

The present Authorised Share Capital of the Company is Rs. 75,00,00,000/- (Rupees Seventy-Five Crores only) divided into 7,50,00,000 (Seven Crore Fifty Lakh) Equity Shares of face value Rs.10 (Ten only) each.

The Company with a view to broad base equity capital base of the Company, the Board of Directors have proposed to increase the Authorised capital of the Company to Rs. 80,00,00,000/- (Rupees Eighty Crores only) divided into 7,50,00,000 (Seven Crore Fifty Lakh) Equity Shares of face value Rs.10 (Ten only) each and 50,00,000 (Fifty Lakh) Preference Shares of face value Rs. 10 (Ten only) each. Consequent to the increase in Authorised Share Capital, it will be necessary to alter Clause V of the Memorandum of Association of the Company.

As per Section 61 of the Companies Act, 2013, it is necessary to get approval of the members by way of an Special Resolution for increase the Authorised Share Capital of the Company.

The new set of Memorandum of Association is available for inspection at the Registered Office of the Company on any working day during business hours.

None of the Directors, Key Managerial Personnel of the Company, 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. 5 of the accompanying Notice, for your approval as an Ordinary Resolution.

In respect of Item No. 6:

Shareholders may recall that Mr. Birju Maheshbhai Patel (DIN: 06803409) was appointed as an Independent Director at the 37th Annual General Meeting to hold office up to the conclusion of the 42nd Annual General Meeting.

The Company needs to re-constitute its board of directors to ensure compliance with the Companies Act, 2013, as amended and the corporate governance requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**").

as amended and other applicable law prior to filing of the draft red herring prospectus with the Securities and Exchange Board of India.

It is proposed to appoint Mr. Birju M. Patel as an Independent Director (Non-executive) of the Company for a second term of 5 consecutive years from 6th June, 2024, till 5th June, 2029. Mr. Birju M. Patel, received in 1993 a B. E. (Electrical) from Sardar Patel University, India. Having worked with renowned consultants in India, he has extensive consulting experience in providing multi-disciplinary High quality Engineering Services. Mr. Birju M. Patel has established his own firm MEP Consulting Engineers.

The proposed Independent Director has submitted a declaration that he meets the criteria for appointment as an independent director.
The Board of Directors of the Company have recommended the re-appointment of Mr. Birju Maheshbhai Patel as an Independent Director (Non-executive) of the Company for a second term of 5 consecutive years, subject to such Independent Director continuing to satisfy the criteria of independence in terms of the Companies Act, 2013, the rules made thereunder and the SEBI Listing Regulations, and shall not be liable to retire by rotation.

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. Birju Maheshbhai Patel for the office of Independent Director of the Company.

In the opinion of the Board, Mr. Birju Maheshbhai Patel fulfils the conditions specified in the Companies Act, 2013 for appointment as an Independent Director and is independent of the management of the Company.

Details of Mr. Birju Maheshbhai 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 view of above and also considering the recommendation of Nomination and Remuneration Committee of the Company for re-appointment of Mr. Birju Maheshbhai Patel as Independent Director of the Company for a second consecutive term of five years from 6th June, 2024 till 5th June, 2029, on basis of his skills, extensive and enriched experience in diverse areas and suitability to the Company and fulfilling the criteria of his independence under Section 149(6) of Companies Act, 2013 read with Schedule IV thereto, 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 a Special Resolution.

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

The Board recommends the resolution set out at Item No. 7 of the the accompanying Notice for your approval as a Special Resolution.

In respect of Item No. 7:

The Company is proposing to undertake an initial public offer of the equity shares of face value of Rs. 10/- each (**"Equity Shares"**) of the Company comprising a fresh issuance of Equity Shares by the Company (**"Fresh Issue"**) and an offer for sale of Equity Shares by certain existing shareholders of the Company (**"Selling Shareholders"**) (**"Offer for Sale"** and together with the Fresh Issue, the **"Offer"**), and list the Equity Shares on one or more of the stock exchanges.

In view of the above, substitution of the existing set of Articles of Association of the Company with the new set of Articles of Association is necessitated.

The new set of Articles of Association is available for inspection at the Registered Office of the Company on any working day during business hours.

None of the directors, key managerial personnel, senior managerial personnel of the Company or the relatives of the aforementioned persons are interested in the said resolution.

The board of directors of the Company recommends the resolutions set out at Item No. 7 of the accompanying Notice for your approval as a Special Resolution.

In respect of Item No. 8:

In terms of Foreign Exchange Management Act, 1999, as amended, the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, as amended (the "FEMA Regulations"), and the Consolidated Foreign Direct Investment Policy Circular of 2020, as amended (together with the FEMA Regulations, the "FEMA Laws"), the Non-resident Indian ("NRI") and Overseas Citizens of India ("OCI"), together, can acquire and hold on repatriation basis up to an aggregate limit of 10% of the paid up equity share capital of an Indian company. The FEMA Laws further provide that the limit of 10% can be further increased up to 24%, by passing a special resolution to that effect by the shareholders and followed by necessary filings with the Reserve Bank of India, if required.

In relation to the proposed Offer, the Company proposes to increase the aggregate limit of investment by NRIs in the Company from 10% to 24% of the paid-up equity share capital. This would allow NRIs to acquire to a greater extent to the equity shares proposed to be offered in the Offer and also allow effective post-listing trading in the Equity Shares by NRIs.

None of the directors, key managerial personnel, senior management personnel, of the Company or the relatives of the aforementioned persons are interested in the said resolution.

The Board of Directors of the Company recommends the resolutions set out at Item No. 8 of the accompanying Notice for your approval as special resolution.

In respect of Item No. 9 & 10:

Equity based compensation is considered to be an integral part of employee compensation across sectors which enables alignment of personal goals of the employees with organizational objectives by participating in the ownership of the Company through stock-based compensation scheme.

The required disclosures are as under:

Brief description of the Plan	It is proposed to implement the 'M&B Engineering Limited Employee Stock Option Plan 2024' **("ESOP 2024"/ "Scheme")**, pursuant to which share-based benefits will be granted to eligible employees with a view to reward the talents, motivate the work- force, create an employee ownership culture, attract and retain talents and ensure sustained growth. The board of directors of the Company ("**Board**") at their meeting held on 6th June, 2024 have granted their approval to the introduction and implementation of the Plan.

Total number of options to be granted and maximum number of options that can be granted under the Plan	Total number of employee stock Options ("**Options**") shall not exceed such number of Options that convert into maximum 7,50,000 fully paid-up Shares (or such other adjusted figure/number for any reorganization of capital structure undertaken in accordance with the Scheme) in the Company, having face value of INR 10/- each. Unless otherwise determined by the Committee, if an Option expires, lapses or becomes un-exercisable due to any reason, it shall be brought back to the pool of Options and shall become available for future Grants, subject to compliance with the provisions of the applicable laws.
Identification of class of employees to participate and be beneficiaries in the scheme	Subject to the determination/selection by the Board/Committee, the following class of employees are eligible to be granted Options under **ESOP 2024**: (i) a permanent employee of the Company or the subsidiary working in India or outside India; or (ii) executive directors (including managing director) whether in India or outside India; or (iii) employees as mentioned in (i) and (ii) above of a Company's subsidiary, in India or outside India, or of a holding company of the Company; or (iv) any other person that the Company may designate as an employee, subject to Applicable Law. The following class of employees are not eligible to be granted Options under **ESOP 2024**: (i) an employee who is a promoter or belongs to the promoter group; (ii) director(s) holding directly or indirectly more than 10% of the outstanding equity shares of the Company; (iii) Independent director of the Company.
Requirements of vesting and vesting period, maximum period within which options will get vested.	The vesting of the stock options would be subject to the terms and conditions as may be stipulated by the Board/Committee from time to time including but not limited to continued employment of the eligible employees with the Company and/or its subsidiaries. The minimum vesting period of the stock options shall be 1 year. The vesting schedule and conditions are explained in detail **ESOP 2024**. The number of stock options and terms of the same made available to employees (including the vesting period) may vary at the sole discretion of the Board/Committee. The maximum period within which the options shall vest from the date of grant (or such other period as decided in the sole discretion of the Board/Committee, from time to time) shall be set out in the grant letters issued to the eligible employees.
Appraisal Process for determining the eligibility of the employees to Employee Stock Options	The Board/Committee shall determine the criteria for eligible employees under **ESOP 2024** based on any one or more of the attributes like designation, period of service, performance linked parameters, Company's overall performance and such other criteria as the Board / Committee may deem fit.
Exercise price and pricing formula	The exercise price for the Options shall be determined by the Board / Committee at the time of grant of such Options and shall be set out in the grant letter to be issued to eligible employees. The exercise price may be different for different employees or classes thereof.

Exercise period and process of exercise	Exercise Period is 60 days from the date on which Options have been vested. The vested Options can be exercised by the Option grantees by a written application to the Company in the format as may be prescribed keeping in view the administrative and/ or the legal requirements prevailing at that time and upon payment of the exercise consideration and applicable taxes.
Maximum number of options to be granted per employee and in aggregate	The number of options that may be granted to any specific employee of the Company under the **ESOP 2024** shall not exceed 1% of the issued equity share capital of the Company. If the number of Options that may be offered to any specific employee be equal to or exceeds 1% of the issued share capital (excluding warrants & conversion of the convertible securities) of the Company at the time of grant of Options, then the Company shall take prior approval from members of the Company.
Transfer restrictions	The Option Grantee shall not transfer any shares issued pursuant to exercise of vested options unless such transfer is in conformity with articles of association of the Company and **ESOP 2024**.
Conditions under which vested Option may lapse:	In case vested Options are not exercised within the prescribed exercise period, then such vested Options shall lapse. The conditions under which Options vested in employees may lapse on discontinuation of service shall be in accordance with the Scheme.
Exercise period in the event of termination or resignation of employee	The Board/Committee shall decide the exercise period in the event of termination or resignation of any employees and the same shall mentioned in the grant letter/ **ESOP 2024**.
Method of accounting, valuation and disclosure policies of options	The Company shall follow the rules/regulations/laws applicable to accounting and disclosures related to employee stock options including but not limited to the Indian accounting standards or the Guidance Note on Accounting for Share-based Payments as prescribed by the Institute of Chartered Accountants of India or any other accounting principle as may be replaced from time to time [in compliance with the requirements of Regulation 15 of SEBI SBEB Regulations and the relevant provisions of the Companies Act, 2013 and rules made thereunder.]
Whether the Plan is Implemented by Company or trust	The Company shall directly implement and administer the **ESOP 2024** through the Committee/Board.
The method which the company shall use to value its options:	The Company shall adopt 'fair value method' for valuation of Options as prescribed under IND AS 102 on Share-based payments or any accounting standard/ guidance note, as applicable, notified by competent authorities from time to time.
Period of lock-in	Unless mandated under any of the extant laws, the Equity Shares arising out of Exercise of Vested Options shall not be subject to any lock-in period from the date of allotment of such Equity Shares under ESOP 2024.
Terms & conditions for buyback, if any, of specified securities covered under these regulations	Subject to the provisions of the applicable laws, the Board/ Committee shall determine the procedure for buy-back of the specified securities/Options if to be undertaken at any time by the Company and the applicable terms and conditions thereof.

Whether the scheme involves new issue of shares by the Company or secondary acquisition by the trust or both:	The Plan contemplates issue of fresh/primary equity shares by the Company.
Amount of loan to be provided for implementation of the scheme(s) by the Company to the trust, its tenure, utilization, repayment terms, etc.:	Not applicable since this is currently not contemplated under the Plan.
Maximum percentage of secondary acquisition that can be made by the trust for the purposes of the scheme(s):	Not applicable since this is currently not contemplated under the Plan.

The draft of the **ESOP 2024** shall be open for inspection by the members at the registered office of the Company during normal business hours on business days up to the date of this Extra-ordinary General Meeting.

As per the Companies Act, 2013, separate special resolution is required to be passed by the members if benefits of the Plan are extended to Eligible Employees of subsidiary company/ies. Accordingly, a separate special resolution seeking approval of the members for extending the benefits of the Plan to the Eligible Employees of subsidiary company/ies is also placed before the members.

The Board recommends the resolution(s) set out at item numbers 9 & 10 of this notice to the members for their consideration and approval, by way of special resolutions.

None of the persons specified in Section 102 of the Act, namely the promoters, directors, key managerial persons, relatives of promoters, directors and key managerial persons or the entities comprising the interest of promoters, directors or key managerial persons, are concerned or interested in the above resolution. However, the directors and key managerial personnel may be deemed to be concerned or interested in these resolutions to the extent of Options that be granted to them.

Registered Office:
MB House, 51,
Chandrodaya Society,
Stadium Road,
Ahmedabad – 380 014.
Date: 6th June, 2024

By order of the Board,

Palak

Palak D. Parekh
Company Secretary & Compliance Officer

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	Mr. Girishbhai Manibhai Patel (DIN: 00261624)	Mr. Birju Maheshbhai Patel (DIN: 06803409)
Age (in years)	76 years	52 Years
Date of Birth	31-08-1947	26-10-1971
Date of Appointment	31-12-1984	01-06-2019
Qualifications	Hydraulic Engineer from USA	BE - Electrical
Experience/ / Expertise	He is a hydraulic engineer form USA, with more than 40 Years of experience with company. His sound technical knowledge and experience in all kind of machinery has given the company a leading edge.	He has rich experience in the field of engineering, technical and marketing demand
Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid	-	-
Remuneration last drawn by such person, if any.	Rs. 16.95 Million	NIL
Shareholding in the Company (No. of Shares)	1,95,00,000 Equity Shares	NIL
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company.	Related to Malav G. Patel, Joint Managing Director of the Company	Not related to any Director or Manager KMP
Number of Meetings of the Board attended during the year	17	17
List of Public Limited Companies in which Directorships held	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	NIL

Chairman/Member of the Committees in public limited and listed companies in India	NIL	NA
Justification for choosing the appointee for appointment as Independent Directors	Not Applicable	On the basis of his skills, extensive and enriched experience in diverse areas and suitability to the Company
Brief resume of the director	He holds a diploma in Mechanical Engineering from the United States. He has more than 50 years of experience in the Group businesses. His passion for mechanical engineering has helped him develop an in-depth technical knowledge in mfg. processes, which in turn, has added immense value to the businesses.	He has done B. E. (Electrical) from Sardar Patel University, India. He has extensive consulting experience in providing multi-disciplinary High quality Engineering Services. He has established his own firm MEP Consulting Engineers.

Registered Office:
MB House, 51,
Chandrodaya Society,
Stadium Road,
Ahmedabad – 380 014.
Date: 6th June, 2024

By order of the Board,

Palak D. Parekh
Company Secretary & Compliance Officer

M&B ENGINEERING LIMITED

DIRECTORS' REPORT

Dear Shareholders,

The Directors present the 42[ND] ANNUAL REPORT together with the Audited Financial Statements for the Financial Year 2023-24 ended 31[st] March, 2024.

1. FINANCIAL PERFORMANCE

(Rs. in lakh)

Particulars	2023-24	2022-23
Revenue from Operations	78,721.36	85,867.61
Profit before Interest, Depreciation & Tax	9,469.59	8,000.97
Depreciation	876.60	937.69
Finance Cost	2,289.50	1,847.10
Profit before tax	6,303.49	5,216.18
Provision for tax :		
Current Tax	1,548.54	1,313.65
Deferred Tax	(51.59)	(60.44)
Profit after tax	4,806.54	3,962.97
Other Comprehensive Income	(110.25)	(37.12)
Total Comprehensive Income	4,696.29	3,925.85
Earning per Share	9.61	7.93

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

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.

4. REVIEW OF OPERATIONS / COMPANY AFFAIRS

The turnover of the Company stood at Rs. 78,721.36 lakh during the year 2023-24 under review against 85867.61 lakh for the year 2022-23. During the year under review, Profit before Interest, Depreciation & Tax was Rs. 9,469.59 lakh as compared to profit of Rs. 8,000.97 lakh for the year 2023-24. The Profit after tax for the year under review stood at Rs. 4,806.53 lakh as compared to profit of Rs. 3,962.97 lakh for the year 2023-24.

5. IMPLEMENTATION OF CHEYYAR PLANT:

The Company has successfully implemented its 2[nd] manufacturing plant at Cheyyar, Tamli Nadu with a capacity of 36,000 TPA at a project cost of Rs. 98.15 crores. The Company has tied up with the Standard Chartered Bank, Kotak Mahindra Bank Limited and HDFC Bank Limited for the Term Loan of Rs. 60 Crores for the same, against which the Company had drawn Rs. 40 crores till date. The Company had started the commercial production from 25[th] May, 2024.

6. ACQUISITION / DISPOSITION OF WHOLLY OWNED SUBSIDIARY:

The Company has disposed off its 51% share in the Modtech Machines Private Limited w.e.f. 23rd May, 2023.

The Company had established its Wholly Owned Subsidiary viz. Phenix Building Services Private Limited and the said stake was disposed off w.e.f. 7th March, 2024.

The Company has acquired 100% stake in Phenix Building Solutions Private Limited and thereby making it as a Wholly Owned Subsidiary w.e.f. 7th March, 2024

7. FUTURE OUTLOOK

The Company had a very good Order on hand position amounting to Rs. 600 crores as on 1st April, 2024. With this robust order bank and multiple plants in place, the Company is looking forward to a phenomenal growth in the coming years.

8. INITIAL PUBLIC OFFERING (IPO):

The Company is in process of undertaking initial public offering of Equity Shares of the Company which shall consist of a fresh issue of Equity Shares and an offer for sale by certain existing shareholders of the Company. 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.

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 Reserves.

9. DIRECTORS & KEY MANAGERIAL PERSONNEL

9.1 One of your Directors viz. Mr. Girishbhai M. Patel retires by rotation in terms of the Articles of Association of the Company. However, being eligible, offers himself for reappointment.

9.2 Mr. Chirag H. Patel was re-appointed as Managing Director of the company for a period of 3 years from 1st April, 2023 to 31st March, 2026. Furthermore, he was appointed as Chairman of the Board of Directors of the Company w.e.f. 7th March, 2024, and his designation was updated to Chairman & Joint Managing Director.

9.3 Mr. Malav G. Patel was re-appointed as Managing Director of the company for a period of 3 years from 1st April, 2023 to 31st March, 2026. Furthermore, there was change in nomenclature of his designation w.e.f. 7th March, 2024, and his designation was updated to Joint Managing Director.

9.4 Mr. Girishbhai M. Patel was re-appointed as Director-Technical of the company for a period of 3 years from 1st April, 2023 to 31st March, 2026. Furthermore, there was change in nomenclature of his designation w.e.f. 7th March, 2024, and his designation was updated to Whole-time Director.

9.5 Mr. Vipinbhai K. Patel was re-appointed as Director-Finance of the company for a period of 3 years from 1st April, 2023 to 31st March, 2026. Furthermore, he resigned as CFO & Director-Finance (WTD) of the Company (continuing as Director). He continues to be a Director on the Board of the Company in a non-executive role w.e.f. closing hours of 7th March, 2024.

9.6 Ms. Umaben G. Patel resigned from the office of Director - Administration and Director of the Company w.e.f. closing hours of 7th March, 2024.

9.7 Ms. Birva Patel, Company Secretary of the Company resigned as the Company Secretary w.e.f. closing hours of 31st March, 2024.

9.8 Mr. Pankaj Naresh, Chief Executive Officer was designated as Key Managerial Personnel of the Company w.e.f. 1st April, 2024.

9.9 Mr. Mayur S. Patel, Chief Executive Officer was designated as Key Managerial Personnel of the Company w.e.f. 1st April, 2024.

9.10 Mr. Keyur B. Shah was appointed as Chief Financial Officer of the Company w.e.f. 1st April, 2024.

9.11 Ms. Palak D. Parekh was appointed as Company Secretary of the Company w.e.f. 1st April, 2024. She acts as the Compliance Officer of the Company.

9.12 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 2nd April, 2024

9.13 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 2nd April, 2024.

9.14 Mr. Birju M. Patel is proposed to be appointed as a Non-executive Independent Director of the Company for a second term of consecutive 5 years at the ensuing Annual General Meeting.

9.15 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.

9.16 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 31st March, 2024 being end of the financial year 2023-24 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 devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

9.17 MEETINGS OF THE BOARD OF DIRECTORS

During the year under review, the Company held Seventeen (17) board meetings of the Board of Directors as per Section 173 of Companies Act, 2013 on 17th May, 2023, 22nd May, 2023, 7th June, 2023, 9th June, 2023, 10th July, 2023, 26th July, 2023, 11th August, 2023, 7th September, 2023, 29th September, 2023, 9th October, 2023, 7th November, 2023, 10th November, 2023, 22nd November, 2023, 7th December, 2023, 4th January, 2024, 10th February, 2024 and 7th March, 2024. 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 CAPPITAL

During the year under review, the Authorised Equity Share Capital of the Company was increased to Rs. 75,00,00,000 divided into 7,50,00,000 Equity Shares of Rs. 10/- each by passing a resolution at the AGM held on 30th September, 2023.

As at 31st March, 2024 the Authorised Equity Share Capital of the Company stood at Rs. 75,00,00,000/- divided into 7,50,00,000 Equity Shares of Rs. 10/- each and 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.

In order to broad base the Preference Capital Structure of the Company, it is proposed to increase in Authorised Share capital of the Company from Rs. 75 Croes to Rs. 80 Crores by way of creation of 50,00,000 Preference of Rs. 10/- each. The members are requested to approve the aforesaid increase in Authorised Share capital at the ensuing Annual General Meeting members by way of passing of Ordinary Resolution.

BONUS SHARES

After obtaining the approval of members by passing a resolution at the AGM held on 30th September, 2023, Rs. 30,00,00,000/- in aggregate was capitalised from the surplus in Profit and Loss account and applied for the issue of 3,00,00,000 Equity Shares of Rs. 10/- each as Fully paid-up Bonus Shares in the ratio of 3 new Equity Shares of Rs. 10/- each for every existing 2 Equity Share of Rs. 10/- held.

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

The Company has not provided any Stock Option Scheme to the employees of the Company during the year under review.

The Company is proposing the implementation of ESOP Scheme in near future.

12. ALTERATIONS IN MEMORANDUM OF ASSOCIATION

In light of the changes brought in by the enactment of the Companies Act, 2013, necessary alterations were made to the Memorandum of Association after obtaining the approval of the Members vide a resolution passed at the AGM held on 30th September, 2023. The other Objects of the Memorandum of Association were deleted.

13. ADOPTION OF NEW SET OF ARTICLES OF ASSOCIATION:

After obtaining the approval of the members at the AGM held on 30th September, 2023, new set of Articles of Association were adopted for the administrative convenience and in light of changes brought in by the enactment of the Companies Act, 2013.

The Articles of Association are further proposed to be amended by way of passing a Special Resolution at the ensuing AGM.

14. MANAGERIAL REMUNERATION:

Sr. No.	Name of the Director & Designation	Remuneration (Salary + Perquisites) (per month)	Commission received from Holding/ Subsidiary
1	Girishbhai Patel, Director – Technical	169.55 Lakh	N.A.
2	Chiragbhai Patel, Managing Director	272.64 Lakh	N.A.
3	Vipinbhai Patel, Director – Finance*	10.67 Lakh	N.A.
4	Malav Patel, Managing Director	179.92 Lakh	N.A.
5	Umaben G Patel, Director-Administration**	17.25 Lakh	N.A.

* Resigned as Director Finance w.e.f. the closing hours of 7th March, 2024- continuing as a Non-Executive Director

** Resigned as Director Administration w.e.f. the closing hours of 7th March, 2024

15. NET WORTH OF THE COMPANY:

The Net worth as on 31st March, 2024 is Rs. 241.49 Crores compared to Rs. 194.52 Crores on 31st March, 2023.

16. PERSONNEL AND H. R. D.:

INDUSTRIAL RELATIONS:

The Company attaches importance to the dignity of employee irrespective of position and highly values the cultural diversities of employees. The Company is committed to nurturing, enhancing and retaining its top talent through superior learning and organizational development. This is a part of our Corporate HR function and is a critical pillar to support the organization's growth and its sustainability in the long run.

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. Girishbhai G. Patel	Mr. Pankaj Naresh
Designation	Managing Director	Managing Director	Director-Technical	CEO
Remuneration received	Rs. 26.27 Million	Rs. 17.34 Million	Rs. 16.95 Million	Rs. 1.85 million
Nature of Employment	Contractual	Contractual	Contractual	Permanent
Qualification	B.E. Civil	B.B.A.	Hydraulic Engineer from USA	Master's Degree in Business Administration, Master's degree in Engineering (industrial engineering and management) and BE-electrical
Experience	32 Years in the field of civil projects	26 Years in the field of civil projects	more than 50 years of technical experience in the field of civil projects	more than 30 years of experience in sales & marketing
Date of commencement of employment with the Company	01/05/1993	01/04/2002	31/12/1984	25/11/2019
Age	53 Years	46 Years	76 years	57 years
Last employment before	-	-	-	Reliance Industries Limited
Percentage of Equity Shares held	35%	14%	39%	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**. The remarks of Auditors have been explained at para 25.1 below.

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 the draft Annual Return as on 31st March, 2024 is available on the Company's website.

21. AUDIT COMMITTEE

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

Upto 22nd May, 2024, the Audit Committee comprised of the following:

1. Mr. Sanjay S. Majmudar - Chairman
2. Mr. Birju M. Patel - Member
3. Mr. Vipin K. Patel - Member

The Board of Directors, on 23rd May, 2024 have 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 12th May, 2023, 7th September, 2023, 10th November, 2022 and 7th March, 2024 during the year 2023-24.

20.1 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.

Upto 22nd May, 2024, the Nomination and Remuneration Committee comprised of the following:

1. Mr. Birju M. Patel - Chairman
2. Mr. Sanjay S. Majmudar - Member
3. Mr. Vipin K. Patel - Member

The Board of Directors, on 23rd May, 2024 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

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 twice during the Financial Year 2023-24 on 10th February, 2024 and 7th March, 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.

Upto 22nd May, 2024, the Corporate Social Responsibility Committee Committee comprised of the following:

1. Mr. Vipin K. Patel - Chairman
2. Mr. Sanjay S. Majmudar - Member
2. Mr. Chirag H Patel - Member

The Board of Directors, on 23rd 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 2023-24 on 7th September, 2023.

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 23rd 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, 2024.

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

25. RISK MANAGEMENT COMMITTEE

The Board of Directors, on 23rd May, 2024 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. Sanjay S. Majmudar, Member
4. Mr. Pankaj Naresh, Member

26. GENERAL

26.1. AUDITORS

STATUTORY AUDITORS

At the Annual General Meeting held on 30th September, 2022, M/s. S S B K & Co, Chartered Accountants, (FRN: 134956W) were appointed as Statutory Auditors of the Company to hold office for the period of 5 years i.e. for the financial years 2022-23 to 2026-27. M/s. S S B K & Co have since resigned and M/s. Talati & Talati LLP were appointed as Statutory Auditors at the Extra-ordinary General Meeting held on 7th December, 2023 to fill the casual vacancy.

M/s. Talati & Talati LLP are further proposed to be appointed as the Statutory Auditors for a term of 5 years from the year 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 calls 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 2024-25. 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 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. DEPOSITS

At the end of the Financial Year there were no overdue deposits.

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 three subsidiaries viz. Modtech Machines Private Limited (India – ceased to be subsidiary w.e.f. 23rd May, 2024) Phenix Construction Technologies Inc. (USA) and Phenix Building Solutions Private limited (w.e.f. 7th March, 2024). 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.

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. During the year, the Company does not have received any material case or complaint of sexual harassment.

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 EDUCTION 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.

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.

On behalf of the Board of Directors.

Chirag H. Patel
Chairman & Joint Managing Director
DIN:00260514

Malav G Patel
Joint Managing Director
DIN:00260602

Place: Ahmedabad
Date: 6th June, 2024

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 & Development (R & 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)

	2023-24	2022-23
Total Foreign exchange earnings	1,621.82	4249.39
Total Foreign Exchange used	567.43	355.45

On behalf of the Board of Directors

Place: Ahmedabad
Date: 6th June, 2024

Chirag H. Patel
Chairman & Joint Managing Director
DIN:00260514

Malav G Patel
Joint Managing Director
DIN:00260602

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2024
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
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 **31st March, 2024** 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 31st March, 2024 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 including re-appointment of Managing Directors, Whole Time Director that took place during the year 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 made allotment of 3,00,00,000 Bonus Equity Shares on 9th October, 2023 in compliance with the relevant provisions of the Companies Act, 2013.

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

KASHYAP R. MEHTA & ASSOCIATES
COMPANY SECRETARIES

B – 403, 'The First', Beside ITC Narmada Hotel, Behind Keshavbaug, Vastrapur, Ahmedabad – 380 015
Tel. No. : 079-2970 2975 / 76 / 77 • Mobile: 98250 15581 • Email : kashyaprmehta@hotmail.com • Web : www.cskashyap.in

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 Resolution for Alteration of Memorandum of Association to align with the provisions of the Companies Act, 2013 at the Annual General Meeting of the Company held on 30th September, 2023

- Duly passed Special Resolution for Alteration of Articles of Association of the Company by way of replacement at the Annual General Meeting of the company held on 30th September, 2023

- Duly passed Ordinary Resolution for Issue of 3,00,00,000 Equity Shares of Rs. 10/- each as Fully paid up Bonus Shares in the proportion of 3 new Bonus Equity Shares of Rs. 10/- each for every 2 Equity Share of Rs. 10/- each held at the Annual General Meeting of the company held on 30th September, 2023

- Duly passed Ordinary Resolution for increase in its Authorised Share capital of the Company from Rs. 30.00 crores divided into 3,00,00,000 Equity Shares of Rs. 10/- each to Rs. 75.00 crores divided into 7,50,00,000 Equity Shares of Rs. 10/- each at the Annual General meeting held on 30th September, 2023

- Duly passed Special Resolution for giving authority pursuant to Section 185(2) of the Companies Act, 2013 to furnish guarantee and/ or provide security over the Company's assets in respect of loans, advances or any other form of financial assistances granted to Phenix Building Solutions Private Limited (CIN: U45201GJ2007PTC052112) by various banks and financial institutions at the Extra Ordinary General Meeting of the company held on 7th December, 2023

- Duly passed Special Resolution for giving authority to the Board of Directors of the Company to advance loan or issue/provide guarantee/security under Section 185 of the Companies Act, 2013 up to the limit of Rs. 100 crores at the Extra Ordinary General Meeting of the company held on 7th December, 2023

- Duly passed Special Resolution for modification to the terms of appointment of Mr. Chirag H. Patel, Managing Director of the Company (DIN: 00260514) by way of increase in remuneration at the Extra Ordinary General Meeting of the company held on 7th March, 2024

KASHYAP R. MEHTA & ASSOCIATES COMPANY SECRETARIES

- Duly passed Special Resolution for modification to the terms of appointment of Mr. Malav G. Patel; Managing Director of the Company (DIN: 00260602) by way of increase in remuneration at the Extra Ordinary General Meeting of the company held on 7th March, 2024

- Duly passed Special Resolution for modification to the terms of appointment of Mr. Girish M. Patel, Director-Technical of the Company (DIN: 00261624) by way of increase in remuneration at the Extra Ordinary General Meeting of the company held on 7th March, 2024

FOR KASHYAP R. MEHTA & ASSOCIATES
COMPANY SECRETARIES

KASHYAP R. MEHTA
PROPRIETOR
FCS-1821 : COP-2052 : PR-5709/2024
FRN: S2011GJ166500
UDIN : F001821F000537114

Place: Ahmedabad
Date: 6th June, 2024

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., received by way of electronic mode from the Company and also have been 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 by the Company pertaining to Financial Year 2023-24. 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.

CS KASHYAP R. MEHTA
B.Com., LL.B., ACMA, FCS, ACIS (London)

KASHYAP R. MEHTA & ASSOCIATES
COMPANY SECRETARIES

B – 403, 'The First', Beside ITC Narmada Hotel, Behind Keshavbaug, Vastrapur, Ahmedabad – 380 015
Tel. No. : 079-2970 2975 / 76 / 77 ● **Mobile:** 98250 15581 ● **Email :** kashyaprmehta@hotmail.com ● **Web :** www.cskashyap.in

Annexure - I

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

KASHYAP R. MEHTA & ASSOCIATES
COP No.: 2052
FCS No.: 1821
B-403, The First, Beside ITC Narmada Hotel, Behind Keshavbaug, Vastrapur, Ahmedabad-380015
COMPANY SECRETARIES

Place: Ahmedabad
Date: 6th June, 2024

KASHYAP R. MEHTA
PROPRIETOR
FCS-1821 : COP-2052 : PR-5709/2024
FRN: S2011GJ166500
UDIN : F001821F000537114

ANNEXURE -C

ANNUAL REPORT ON CSR ACTIVITIES

<table>
<tr><th>Sr. No.</th><th colspan="2">Particulars</th><th>Information</th></tr>
<tr><td>1</td><td colspan="2">Brief outline on CSR Policy of the Company</td><td>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.</td></tr>
<tr><td>2</td><td colspan="3">The Composition of the CSR Committee (upto 22nd May, 2024):
<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>Mr. Vipin K. Patel</td><td>Chairman of CSR Committee & Director</td><td>1</td><td>1</td></tr>
<tr><td>2</td><td>Mr. Chirag H. Patel</td><td>Member of CSR Committee & Chairman – Joint Managing Director</td><td>1</td><td>1</td></tr>
<tr><td>3</td><td>Mr. Sanjay S. Majmudar</td><td>Member of CSR Committee & Independent Director</td><td>1</td><td>1</td></tr>
</table>
The Composition of the CSR Committee (w.e.f. 23rd May, 2024):
<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 & Joint Managing Director</td><td>Nil</td><td>NA</td></tr>
<tr><td>2</td><td>Sonal V. Ambani</td><td>Member of CSR Committee & Independent Director</td><td>Nil</td><td>NA</td></tr>
<tr><td>3</td><td>Birva C. Patel</td><td>Member of CSR Committee & Whole Time Director</td><td>Nil</td><td>NA</td></tr>
</table></td></tr>
<tr><td>3</td><td colspan="2">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.</td><td>Not Applicable</td></tr>
<tr><td>4</td><td colspan="2">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.</td><td>Not Applicable</td></tr>
<tr><td>5.</td><td colspan="2">a) Average net profit of the company as per sub-section (5) of section 135.</td><td>Rs. 32.33 Crore</td></tr>
<tr><td></td><td colspan="2">b) Two percent of average net profit of the company as per sub-section (5) of section 135.</td><td>Rs. 64.66 Lakh</td></tr>
<tr><td></td><td colspan="2">c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.</td><td>Nil</td></tr>
<tr><td></td><td colspan="2">d) Amount required to be set off for the financial year 2023-24, if any</td><td>Rs. 0.56 Lakh</td></tr>
<tr><td></td><td colspan="2">e) Total CSR obligation for the financial year 2023-24 [(b)+(c)-(d)].</td><td>Rs. 64.10 Lakh</td></tr>
<tr><td>6.</td><td>(a)</td><td>Amount spent on CSR Projects</td><td>Rs. 65.32 Lakh</td></tr>
</table>

	(both Ongoing Project and other than Ongoing Project).	
(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 2023-24[(a)+(b)+(c)].	Rs. 65.32 Lakh

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for The Financial Year 2023-24 (in Rs.)	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
65.32 lacs	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. 64.66 Lakh
	(b) Amount available for set off from FY 2022-23	Rs. 0.56 Lakh
	(a)-(b) Total CSR obligation for the financial year 2023-24	Rs. 64.10 Lakh
(ii)	Total amount spent for the Financial Year 2023-24	Rs. 65.32 Lakh
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Rs. 1.22 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. 1.22 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 (6) of section 135. (in Rs.)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	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 section135, if any.		Amount remaining to be spent in succeeding Financial year (in Rs)	Deficiency, if any
					Amount (in Rs)	Date of transfer		
1	FY-1 (2022-23)	Nil	Nil	Nil	NIL	NIL	Nil	Nil
2	FY-2 (2021-22)	NIL	NIL	NIL	NIL	NIL	NIL	NIL
3	FY-3 (2020-21)	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: 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:	No

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	Name	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,

Chirag H. Patel
Chairman & Joint Managing Director
DIN:00260514

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

Girish M. Patel
Whole Time Director
DIN: 00261624

Place: Ahmedabad
Date: 6th June, 2024

ANNEXURE –D

Form AOC-I

(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

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sr. No.	Particulars	Details		
1.	Name of the subsidiary	**Phenix Construction Technologies Inc. (USA)**	**Modtech Machines Private Limited (India)**	**Phenix Building Solutions India Private Limited (India)**
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same As Holding Company	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. 83.37	N.A	N.A
4.	Share capital	20,85,250	-	5,00,000
5.	Reserves & surplus	-9,36,56,671	-	14,22,78,490
6.	Total assets	13,49,43,042	-	64,42,02,676
7.	Total Liabilities	22,65,08,463	-	50,14,21,741
8.	Investments	-	-	-
9.	Turnover	12,08,13,922	33,22,392	27,65,23,225
10.	Profit before taxation	-2,89,89,261	-23,44,289.74	1,29,59,165
11.	Provision for taxation	-	-	28,00,085.00
12.	Profit after taxation	-2,89,89,260.57	-23,44,289.74	1,01,59,079.72
13.	Proposed Dividend	-	-	-
14.	% of shareholding	100%	51%	100%

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

1. Names of subsidiaries which are yet to commence operations - NIL
2. Names of subsidiaries which have been liquidated or sold during the year- Modtech Machines Private Limited & Phenix Building Services Private Limited were sold during the year.

Part "B": Associates and Joint Ventures - NIL

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

Place: Ahmedabad
Date: 6th June, 2024

Chirag H. Patel
Chairman & Joint Managing Director
DIN:00260514

Malav 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

STANDALONE FINANCIAL STATEMENTS

2023-24

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, 2024, 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, 2024, Profit and other comprehensive income, changes in equity and it 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 AHMEDABAD CHARTERED ACCOUNTANTS

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

AMBICA CHAMBERS, NEAR OLD HIGH COURT, NAVRANGPURA, AHMEDABAD 380 009.
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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 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 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.

AHMEDABAD

(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, 2024 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.
As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

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 Section197 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.

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

(Umesh Talati)
Partner
Membership No. 034834
UDIN: 24034834BKALIQ1166

Place of Signature: Ahmedabad
Date: 06th June, 2024

ANNEXURE – A to the Independent Auditor's report on the standalone financial statements of M & B Engineering Limited for the year ended 31 March 2024

(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*	381.03
Balance outstanding as at balance sheet date	
- Subsidiaries*	935.11

*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)	935.11	-	935.11
- Agreement does not specify any terms or period of repayment (B)	-	-	-
Total (A+B)	935.11	-	935.11
Percentage of loans/ advances in nature of loans to the total loans	100%	-	100%

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(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 31st March,2024 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 ofinterest 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 utilised 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 resignation of the statutory auditors during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.

(xix) On the basis of the financial ratios disclosed in Note-42 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.

(ii) (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

(xx) 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.

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

TALATI & TALATI LLP AHMEDABAD CHARTERED ACCOUNTANTS

Place of Signature: Ahmedabad
Date: 06th June, 2024

(Umesh Talati)
Partner
Membership No. 034834
UDIN: 24034834BKALIQ1166

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, 2024 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, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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) pertains 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.

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

TALATI & TALATI LLP AHMEDABAD

Place of Signature: Ahmedabad
Date: 06th June, 2024

(Umesh Talati)
Partner
Membership No. 034834
UDIN: 24034834BKALIQ1166

M & B ENGINEERING LTD
BALANCE SHEET AS AT MARCH 31, 2024

(INR in Lacs)

PARTICULARS	Note No.	As at 31st March 2024	As at 31st March 2023	As at 1st April 2022
ASSETS :				
NON CURRENT ASSETS :				
Property Plant & Equipment	2(A)	7,543.47	7,039.73	6,060.18
Capital Work In Progress	2(B)	6,622.63	77.60	72.58
Intangible assets	2(C)	112.86	196.43	274.00
Right of use assets	3	53.60	119.79	153.38
Investments in subsidiaries, associates and Joint venture	4	1,344.17	538.07	538.07
Financial Assets				
-(i) Non Current Investment	5(A)	689.88	511.74	566.86
-(ii) Loans	5(B)	30.00	30.00	30.00
-(iii) Other financial assets	5(C)	334.94	331.96	540.43
Total Non Current Assets		16,731.55	8,845.32	8,235.50
CURRENT ASSETS :				
Inventories	6	19,289.00	16,383.84	18,326.54
Financial Assets				
-(i) Trade Receivables	7	12,078.33	11,791.42	12,353.52
-(ii) Cash and cash equivalents	8(A)	6,321.31	9,721.00	5,047.58
-(iii) Bank Balance other than above	8(B)	7,578.81	2,695.50	4,101.00
-(iv) Loans	9	980.70	1,321.55	832.28
-(v) Other Current Financial Assets	10	23.75	31.47	18.36
Other Current Assets	11	4,154.27	4,683.19	4,388.19
Total Current Assets		45,426.77	46,626.37	45,068.47
TOTAL :		62,158.32	55,471.69	53,303.97
EQUITY AND LIABILITIES				
EQUITY:				
Equity Share Capital	12	5,000.00	2,000.00	2,000.00
Other Equity	13	19,148.92	17,452.63	13,526.78
Total Equity		24,148.92	19,452.63	15,526.78
NON CURRENT LIABILITIES :				
Financial Liabilities				
-(i) Borrowings	14	4,279.31	8,890.94	6,548.05
-(ii) Lease Liability	15	20.14	55.11	100.38
Deferred Tax Liability	16	435.39	486.93	547.37
Total Non Current Liabilities		4,734.84	9,432.98	7,195.80
CURRENT LIABILITIES :				
Financial Liabilities				
-(i) Short Term Borrowings	17	16,096.82	5,187.06	2,671.97
-(ii) Lease Liabilities	18	44.27	80.92	60.39
-(iii) Trade Payables	19	9,378.10	13,028.70	19,303.62
-(iv) Other financial liabilities	20	1,159.35	900.11	814.87
Short Term Provisions	21	1,032.59	1,218.70	1,005.11
Other current liabilities	22	5,564.50	6,170.59	6,725.43
Total Current Liabilities		33,274.62	26,586.08	30,581.39
TOTAL :		62,158.32	55,471.69	53,303.97

Significant Accounting Policies
The accompanying notes form an integral part of these financial statements : 1 TO 44

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 : June 06,2024

TALATI & TALATI LLP AHMEDABAD CHARTERED ACCOUNTANTS

For and on behalf of Board of Directors

Chirag H. Patel
Chairman & Joint Managing Director
DIN: 00260602

Malav G. Patel
Joint Managing Director
DIN: 00260514

Pankaj Naresh
Chief Executive Officer

Mayur S. Patel
Chief Executive Officer

Keyur B. Shah
Chief Financial Officer
Place : Ahmedabad
Date : June 06,2024

M & B ENGINEERING LTD AHMEDABAD

Palak D. Parekh
Company Secretary

M & B ENGINEERING LTD
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2024

(INR in Lacs)

PARTICULARS	Note No.	2023-24	2022-23
A. INCOME :			
Revenue From Operations	23	78,721.36	85,867.61
Other Income	24	1,355.51	877.22
TOTAL INCOME :		**80,076.87**	**86,744.83**
B. EXPENDITURE :			
Cost of Materials Consumed & Operational Expenses	25 (A)	57,133.43	64,921.64
Changes in inventories	25 (B)	(237.38)	184.59
Employee benefits expenses	26	7,768.66	6,985.19
Finance Cost	27	2,289.50	1,847.10
Depreciation & Amortization	2 & 3	876.60	937.69
Other expenses	28	5,942.58	6,652.44
TOTAL EXPENSES :		**73,773.39**	**81,528.65**
Profit Before Tax & Exceptional Item :		**6,303.48**	**5,216.18**
Add/(Less) : Exceptional Item - Income / (Expense)			-
Profit Before Tax : (PBT) :		**6,303.48**	**5,216.18**
LESS/(ADD) : TAX EXPENSES :			
Current Tax		1,548.54	1,313.65
Deferred Tax Liability / Asset		(51.60)	(60.44)
Total Tax Provision :		**1,496.94**	**1,253.21**
Profit (loss) for the period from continuing operations :		**4,806.54**	**3,962.97**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurements of the employee defined benefit plan (Net of tax)		(82.50)	(27.78)
Income Tax effect on the above		(27.75)	(9.34)
Total of Other Comprehensive Income for the year		**(110.25)**	**(37.12)**
Total Comprehensive Income for the year		**4,696.29**	**3,925.85**
Earnings per equity share of face value of INR **10 each**			
Basic and Diluted (In INR)	29	9.61	7.93

Significant Accounting Policies & Notes to Accounts 1

The accompanying notes form an integral part of these financial statements : 1 TO 44

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 : June 06,2024

For and on behalf of Board of Directors

Chirag H. Patel
Chairman & Joint Managing Director
DIN: 00260602

Malav G. Patel
Joint Managing Director
DIN: 00260[illegible]

Pankaj Naresh
Chief Executive Officer

Mayur S. Patel
Chief Executive

Keyur B. Shah
Chief Financial Officer
Place : Ahmedabad
Date : June 06,2024

Falak D. Parekh
Company Secretary

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M & B ENGINEERING LTD. AHMEDABAD

M & B ENGINEERING LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2024

PARTICULARS	INR in Lacs Year ended March 31, 2024		INR in Lacs Year ended March 31, 2023	
A. CASH FLOW FROM OPERATING ACTIVITIES :-				
Net profit before taxation and extraordinary items		6,303.48		5,216.18
Add/(Less): Other Compherensive Income		(110.25)		(37.12)
		6,193.23		5,179.06
Adjustments for :-				
Depreciation and Amortisation	876.60		937.68	
[Gain] / Loss on Liquid Fund [net]	(447.94)		(135.85)	
Finance cost paid	2,280.02		1,832.00	
Interest income	(564.31)		(483.77)	
Interest on Lease Liabilities	9.48		15.10	
Loss/(Profit) on Sale of Assets	(4.06)		(8.10)	
Profit on Sale of Investments	(17.75)		-	
Unrealised loss (gain)of fair value on equity instruments	(133.08)		55.14	
Dividend Income	(5.16)		(5.15)	
Interest income on Security Deposits	(35.65)		(23.91)	
Total		1,958.15		2,183.15
Operating profit before working capital changes		8,151.38		7,362.21
Adjustments for :-				
[Increase] / Decrease in trade and other receivables	457.22		1,894.49	
[Increase] / Decrease Inventories	(2,905.76)		1,942.70	
Increase / [Decrease] in trade payables & other liabilities	(3,650.60)		(6,274.92)	
Increase / [Decrease] in Other current liabilities	(606.09)		(554.84)	
Increase / [Decrease] in Other Financial liabilities	259.24		85.24	
Increase / [Decrease] in Short Term Provision	68.60		106.06	
Total		(6,377.39)		(2,801.27)
Cash generated from operations		1,773.99		4,560.94
Direct taxes paid [Net of refunds]	(1,857.14)		(1,206.16)	
		(1,857.14)		(1,206.16)
Cash flow before extraordinary items				
Extraordinary income / [expenditure]				
NET CASH FLOW FROM OPERATING ACTIVITIES (A)		(83.15)		3,354.78
CASH FLOW FROM INVESTING ACTIVITIES :-				
Purchase of fixed assets	(7,791.51)		(1,787.14)	
Purchase of Investment (Net)	(833.41)		-	
Proceeds from Liquid Fund [net]	447.94		135.85	
Sale of Fixed Assets	14.13		17.04	
Loans and advances	340.85		(489.27)	
Dividend Income	5.16		5.15	
Interest Received	564.31		483.77	
NET CASH FROM INVESTING ACTIVITIES (B)		(7,252.55)		(1,634.60)
CASH FLOW FROM FINANCING ACTIVITIES :-				
Proceeds of Borrowings [net]	1,887.13		4,725.39	
Proceeds from Term Loan	4,410.00		132.59	
Repayment of Lease liabilites and Interest on lease liabilites	(81.10)		(72.74)	
Finance cost paid	(2,280.02)		(1,832.00)	
NET CASH USED IN FINANCING ACTIVITIES (C)		3,936.01		2,953.24
Net increase / (decrease) in cash and cash equivalents (A+B+C)		(3,399.69)		4,673.42
Cash and cash equivalents at the beginning of the year		9,721.00		5,047.58
Cash and cash equivalents at the close of the year :		6,321.31		9,721.00

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 : June 08,2024

For and on behalf of Board of Directors

Chirag H. Patel
Chairman & Joint Managing Director
DIN: 00260602

Malav G. Patel
Joint Managing Director
DIN: 00260541

Pankaj Naresh
Chief Executive Officer

Mayur S. Patel
Chief Executive Officer

Keyur B. Shah Chief Financial Officer

Palak D. Parekh
Company Secretary

Place : Ahmedabad
Date : June 08,2024

TALATI & TALATI LLP AHMEDABAD CHARTERED ACCOUNTANTS

M & B ENGINEERING LTD. AHMEDABAD

M & B ENGINEERING LTD
Restated 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-21	2,00,00,000	2,000
Add: Equity shares issued during the year		
As At 31-Mar-22	2,00,00,000	2,000
Add: Equity shares issued during the year		
As At 31-Mar-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
Total :	5,00,00,000	5,000

(INR in Lacs)

Other Equity:

Particulars	General Reserve	Profit and Loss Account	Total Profit and Loss	Remeasurement of defined benefit plans	Total
Balance as at 1st April 2022	240.50	19,286.28	19,526.78	-	19,526.78
Profit for the year		3,962.97	3,962.97	-	3,962.97
Other Comprehensive Income for the year	-	-	-	(37.12)	(37.12)
Total Comprehensive Income for the year	-	3,962.97	3,962.97	(37.12)	3,925.85
Transfer to Retained Earnings	-	(37.12)	(37.12)	37.12	-
Balance as at 31st March 2023	240.50	17,212.13	17,452.63	-	17,452.63
Balance as at 1st April 2023				-	
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)
Total Comprehensive Income for the year	-	4,806.54	4,806.54	(110.25)	4,696.29
Transfer to Retained Earnings		(110.25)	(110.25)	110.25	-
Balance as at 31st March 2024	240.50	18,908.42	19,148.92	-	19,148.92

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

TALATI & TALATI LLP
AHMEDABAD
CHARTERED ACCOUNTANTS

Place : Ahmedabad
Date : June 06,2024

For and on behalf of Board of Directors

Chi[illegible] Patel
Chairman & Joint Managing Director
DIN: 00260[illegible]

Pankaj Naresh
Chief Executive Officer

Kayur [illegible] Shah
Chief Financial Officer
Place : Ahmedabad
Date : June 06,2024

[illegible] G. Patel
Joint Managing Director
DIN: 00260[illegible]

Mayur S. Patel
Chief Executive Officer

Palak D. Pareek
Company Secretary

M & B ENGINEERING LTD
AHMEDABAD

1. Notes to the Financial Statements : 23-24

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:

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• 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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M & B ENGINEERING LTD. AHMEDABAD

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.

1. Notes to the Financial Statements : 23-24

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 Purchased & 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. 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.

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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.

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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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1. Notes to the Financial Statements : 23-24

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.

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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.

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NOTES TO THE FINANCIAL STATEMENTS

NOTE - 2 - PROPERTY, PLANT & EQUIPMENTS

(INR in Lacs)

Asset Description	GROSS BLOCK				DEPRECIATION BLOCK				NET BLOCK AS AT	
	Balance as on 1st April 2023	Additions during the year	Sale / Disposal	Balance as on 31st March 2024	Balance as on 1st April 2023	Depreciation for the year	Adjustment on Sale / Disposal	Balance as on 31st March 2024	31st March 2024	31st March 2023
A. PROPERTY PLANT & EQUIPMENT										
LAND	314.39	43.21	-	357.64	-	-	-	-	357.64	314.39
LEASEHOLD LAND	1,196.91	-	-	1,196.91	-	-	-	-	1,196.91	1,196.91
FACTORY BUILDING	3,645.16	-	-	3,645.16	1,365.54	114.86	-	1,480.40	2,164.76	2,279.62
PLANT & EQUIPMENT	9,202.81	892.21	116.80	9,978.29	6,834.34	378.79	105.61	7,107.52	2,870.77	2,368.57
ELECTRICAL INSTALLATION	433.93	174.78	-	608.71	375.33	17.64	-	392.97	215.74	58.60
FURNITURE & FIXTURES	304.63	1.76	-	306.39	234.76	11.33	0.01	246.08	60.31	69.87
COMPUTER	458.48	37.74	-	496.22	406.70	25.74	-	432.44	63.78	51.78
OFFICE EQUIPMENTS	244.68	72.64	-	317.32	187.61	39.90	-	227.51	89.81	57.07
VEHICLES	1,098.81	522.30	25.84	1,595.27	585.22	110.12	21.24	674.10	921.17	513.59
MOTOR BUSES	208.89	-	-	208.89	79.56	25.45	-	105.01	103.88	129.33
TOTAL PROPERTY, PLANT & EQUIPMENTS:	17,108.79	1,744.77	142.76	18,710.80	10,069.06	725.13	125.55	10,667.33	8,043.47	7,039.73
B. CAPITAL WIP										
CAPITAL WORK IN PROGRESS	75.51	4,044.62	-	4,120.13	-	-	-	-	4,120.13	75.51
PRE-OPERATIVE EXPS TO BE CAPITALISED	2.09	2,500.41	-	2,502.50	-	-	-	-	2,502.50	2.09
TOTAL CAPITAL WIP :	77.60	6,545.03	-	6,622.63	-	-	-	-	6,622.63	77.60
C. INTANGIBLE ASSETS:										
COMPUTER SOFTWARES	871.39	1.71	-	873.10	698.30	80.24	-	778.54	94.56	173.09
TECHNICAL KNOW HOW	168.54		-	168.54	145.20	5.04	-	150.24	18.30	23.34
TOTAL INTANGIBLE ASSETS	1,039.93	1.71	-	1,041.64	843.50	85.28	-	928.78	112.86	196.43
TOTAL ASSETS	18,226.32	8,291.51	142.76	26,375.07	10,912.56	810.41	125.55	11,596.11	14,778.96	7,313.76
PREVIOUS YEAR :	16,625.92	1,707.34	88.74	18,226.32	10,218.56	871.20	77.80	11,012.56	7,213.76	6,406.76
PREVIOUS YEAR 2021-22	15,941.86	899.96	195.90	16,625.92	9,401.97	872.03	55.54	10,218.56	6,406.76	6,538.87

2.1 : No Immovable Property is held by the Company Jointly withothers as on the Balance Sheet date.

2.2 : CWIP and Intangible Assets ageing schedule

CWIP	Amount in CWIP & Intangible Assets for a period of					Amount in CWIP & Intangible Assets for a period of				
	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	More than 3 Years	Total 31-03-2023
CWIP	6,545.03	5.02	22.41	50.17	6,622.63	5.02	22.41	32.62	17.55	77.60
Total	6,545.03	5.02	22.41	50.17	6,622.63	5.02	22.41	32.62	-	77.60

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 44.89 Lacs for FY 2023-24 and 44.89 Lacs for FY 2022-23 of Amortization of ROU Assets.

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NOTES TO THE FINANCIAL STATEMENTS

Note 3 - RIGHT OF USE ASSET **(INR in Lacs)**

Particulars	Total
Gross Carrying amount	
Balance as at 1st April, 2022	**208.91**
Additions	32.90
Disposals	-
Reclassification as held for sale	-
Balance as at 31st March, 2023	**241.81**
Additions	-
Disposals	-
Reclassification as held for sale	
Balance as at 31st March, 2024	**241.81**
Accumulated Amortization	
Balance as at 1st April, 2022	55.53
Additions	66.49
Disposals	-
Reclassification as held for sale	-
Balance as at 31st March, 2023	**122.02**
Additions	66.19
Disposals	
Reclassification as held for sale	-
Balance as at 31st March, 2024	**188.21**
Net carrying amount	
Balance as at 1st April, 2022	**153.38**
Balance as at 31st March, 2023	**119.79**
Balance as at 31st March, 2024	**53.60**

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NOTES TO THE FINANCIAL STATEMENTS

(INR In Lacs)

NOTE - 4 : INVESTMENTS IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE :	As at 31st March 2024	As at 31st March 2023	As at 1st April 2022
Trade investments [Valued at Cost]:			
Un Quoted:			
Investments in Equity Instruments:			
Wholly Owned Subsidiary Companies:			
Phenix Construction Technologies Inc.	17.17	17.17	17.17
2500 [As at 31.03.2023 & 01.04.2022 : 2500] Equity Shares of USD 10/- each			
Phenix Building Solutions Pvt. Ltd.	1,327.00	-	-
50000 [As at 31.03.2023 & 01.04.2022: 0] Equity Shares of Rs. 10/- each			
Partly Owned Subsidiary Companies:			
Mootech Machinery Pvt. Ltd.	-	520.90	520.90
155,958 [As at 31.03.2023 & 01.04.2022: 155,958] Equity Shares of Rs 10/- each			
TOTAL :	1,344.17	538.07	538.07
4.1 Disclosure of Aggregate and Market Value of Investments:			
Aggregate amount of unquoted investments	1,344.17	538.07	538.07

(INR In Lacs)

NOTE - 5A : NON - CURRENT INVESTMENT :	As at 31st March 2024	As at 31st March 2023	As at 1st April 2022
Investments in Equity Instruments			
Quoted			
At Fair value through Profit and Loss account			
SBI Card and Payment Services Limited			
NIL [As at 31.03.2023 & 01.04.2022: 12,237]			
Equity Share of Face Value of Rs 10/- each	-	90.50	104.22
Bajaj Finserv Limited			
NIL [As at 31.03.2023 & 01.04.2022: 1,000]			
Equity Share of Face Value of Rs 5/- each	-	126.65	170.80
ICICI Bank Limited			
18600 [As at 31.03.2023 & 01.04.2022: 18,600]			
Equity Share of Face Value of Rs 2/- each	203.35	163.17	135.84
Reliance Industries Limited			
389 right shares fully paid up [As at 31.03.2023 & 01.04.2022 : 389] Equity Share of Face Value of Rs 10/- each	10.97	8.60	9.72
Tata Steel Limited			
6,300 [As at 31.03.2023 & 01.04.2022: 6,300]			
Equity Shares of Face Value of Rs 1/- each	96.63	64.79	81.05
Titan Company Limited			
520 [As at 31.03.2023 & 01.04.2022: 520]			
Equity Shares of Face Value of Rs 1 /- each	19.77	15.08	13.19
Tata Consultancy Services Limited			
300 [As at 31.03.2023 & 01.04.2022: 300]			
Equity Shares of Face Value of Rs 1 /- each	11.63	9.62	11.22
Adani Ports And Special Economic Zone Limited			
2000 [As at 31.03.2023 & 01.04.2022: 2000]			
Equity Shares of Face Value of Rs 2/- each	26.04	12.64	15.48
Infosys Limited			
800 [As at 31.03.2023 & 01.04.2022: 800]			
Equity Shares of Face Value of Rs 5 /- each	11.98	11.42	15.25
HDFC Bank Limited			
700 [As at 31.03.2023 & 01.04.2022: 700]			
Equity Shares of Face Value of Rs 1 /- each	10.14	11.27	10.29
Samvardhana Shares			
1,00,000 [As at 31.03.2023: 0] Equity Share of Face Value of Rs 1 /- each	117.10	-	-
Jio Financial Serv			
360 [As at 31.03.2023: 0] Equity Share of Face Value of Rs 10/- each	1.51	-	-
Bharat Dijine Ltd.			
1,050 [As at 31.03.2023: 0] Equity Share of Face Value of Rs 10/- each	67.37	-	-
Cyient Ltd Shares			
2,700 [As at 31.03.2023: 0] Equity Share of Face Value of Rs 5/- each	55.60	-	-
Ingersoll Rand India			
1,600 [As at 31.03.2023: 0] Equity Share of Face Value of Rs 10 /- each	58.89	-	-
TOTAL :	689.88	511.74	566.86
5A.1 Disclosure of Aggregate and Market Value of Investments:			
Aggregate book value of quoted investments	689.88	511.74	566.86
Aggregate Market Value of Investments	689.88	511.74	566.86

M & B ENGINEERING LTD

NOTES TO THE FINANCIAL STATEMENTS

(INR in Lacs)

NOTE - 5(B) : LOANS :

	As at 31st March 2024	As at 31st March 2023	As at 1st April 2022
Inter Corporate Deposit	30.00	30.00	30.00
TOTAL :	30.00	30.00	30.00

(INR in Lacs)

NOTE - 5(C) : OTHER FINANCIAL ASSETS :

	As at 31st March 2024	As at 31st March 2023	As at 1st April 2022
Trade and Security Deposits	334.94	331.96	540.43
TOTAL :	334.94	331.96	540.43

(INR in Lacs)

NOTE - 6 : INVENTORIES :

	As at 31st March 2024	As at 31st March 2023	As at 1st April 2022
Materials & Bought Outs	16,112.27	13,407.94	15,500.38
Work in Process	363.77	797.61	815.73
Finished Goods	1,646.47	975.25	1,141.72
Stores & Packing Materials	1,167.09	1,203.04	869.01
TOTAL :	19,289.60	16,383.84	18,326.54

Notes :

1. Material purchase , Semifinished Stock and Finished Stock is valued at lower of cost (weighted average basis) or net realisable 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 & B ENGINEERING LTD

NOTES TO THE FINANCIAL STATEMENTS

(INR in Lacs)

NOTE - 07 - TRADE RECEIVABLES :

	As at 31st March 2024	As at 31st March 2023	As at 1st April 2022
Overdue for Six Months	2,588.66	1,758.69	1,058.88
Other	9,489.67	10,032.73	11,294.64
TOTAL :	12,078.33	11,791.42	12,353.52

As on 31st March 2024

Particulars	Outstanding for following periods from due date of payment*					
	Less than 6 months	6 months - 1 year	1 years - 2 years	2 years - 3 years	More than 3 years	Total
Undisputed trade receivables – considered good	9,489.67	1,384.16	682.90	257.50	195.76	12,009.99
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	68.34	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	12,078.33
Less: Allowance for doubtful trade receivables - Billed	-	-	-	-	-	-
TOTAL :	9,489.67	1,384.16	682.90	257.50	264.10	12,078.33

As on 31st March 2023

Particulars	Outstanding for following periods from due date of payment*					
	Less than 6 months	6 months - 1 year	1 years - 2 years	2 years - 3 years	More than 3 years	Total
Undisputed trade receivables – considered good	10,032.73	936.39	255.87	33.76	315.13	11,573.88
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	217.54	217.54
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-
	10,032.73	936.39	255.87	33.76	532.67	11,791.42
Less: Allowance for doubtful trade receivables - Billed	-	-	-	-	-	-
TOTAL :	10,032.73	936.39	255.87	33.76	532.67	11,791.42

As on 1st April 2022

Particulars	Outstanding for following periods from due date of payment*					
	Less than 6 months	6 months - 1 year	1 years - 2 years	2 years - 3 years	More than 3 years	Total
Undisputed trade receivables – considered good	11,286.33	597.14	74.36	61.67	59.25	12,078.75
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	-	-	-
Disputed trade receivables – considered good	8.31	4.11	7.71	-	254.64	274.77
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-
	11,294.64	601.25	82.07	61.67	313.89	12,353.52
Less: Allowance for doubtful trade receivables - Billed	-	-	-	-	-	-
TOTAL :	11,294.64	601.25	82.07	61.67	313.89	12,353.52

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NOTES TO THE FINANCIAL STATEMENTS

(INR in Lacs)

NOTE - 08 (A) : CASH AND BANK BALANCES :

Particulars	As at 31st March 2024	As at 31st March 2023	As at 1st April 2022
Cash and Cash Equivalents			
Balances with banks			
In Current Accounts	1,455.40	2,504.71	671.39
Cash on hand	14.63	15.23	21.07
Balances with Banks in Fixed Deposits	4,346.28	7,201.06	4,355.12
In Liquid Funds	505.00	-	-
TOTAL :	6,321.31	9,721.00	5,047.58

(INR in Lacs)

NOTE - 08 (B) : BANK BALANCE OTHER THAN ABOVE :

Particulars	As at 31st March 2024	As at 31st March 2023	As at 1st April 2022
Margin Money Deposits	2,578.81	2,693.90	4,102.00
TOTAL :	2,578.81	2,693.90	4,102.00

(INR in Lacs)

NOTE - 09 : LOANS:

Particulars	As at 31st March 2024	As at 31st March 2023	As at 1st April 2022
Loan and advances to related parties	935.11	1,293.73	806.86
Loans and Advances to Employees	45.59	27.82	25.42
TOTAL :	980.70	1,321.55	832.28

(INR in Lacs)

NOTE - 10 : OTHER CURRENT FINANCIAL ASSETS :

Particulars	As at 31st March 2024	As at 31st March 2023	As at 1st April 2022
Interest Receivable	23.75	31.47	18.36
TOTAL :	23.75	31.47	18.36

(INR in Lacs)

NOTE - 11 : OTHER CURRENT ASSETS :

Particulars	As at 31st March 2024	As at 31st March 2023	As at 1st April 2022
Unsecured, Considered good			
Others:			
Advances to Suppliers	1,243.01	858.34	581.15
Advance income tax (net of provision)	39.71	-	-
Balance with Government Authorities	2,328.94	3,347.99	3,461.47
Advances to Employees	55.89	125.80	133.97
Prepaid Expenses	420.80	351.06	208.85
Others	9.32	-	2.75
Unamortized share issue expenses*	45.56	-	-
TOTAL :	4,154.27	4,683.19	4,388.19

* During the Year ended 31st March 2024, 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.

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NOTES TO THE FINANCIAL STATEMENTS

NOTE - 17 : SHARE CAPITAL :	As at March 31, 2024		As at March 31, 2023		As at 1st April 2022	
	No. of Shares	(INR in Lacs)	No. of Shares	(INR in Lacs)	No. of Shares	(INR in Lacs)
Authorised Share Capital : Equity Shares of Rs. 10/- each	7,50,00,000	7,500.00	3,00,00,000	3,000.00	3,00,00,000	3,000.00
Total :	7,50,00,000	7,500.00	3,00,00,000	3,000.00	3,00,00,000	3,000.00
Issued, Subscribed & Fully Paid - up Capital :						
Equity Shares of Rs. 10/- each Par Value of Share (Rs. 10/- each)	5,00,00,000	5,000.00	2,00,00,000	2,000.00	2,00,00,000	2,000.00
Total :	5,00,00,000	5,000.00	2,00,00,000	2,000.00	2,00,00,000	2,000.00

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

Equity Shares	As at March 31, 2024		As at March 31, 2023		As at 1st April 2022	
	No. of Shares	(INR in Lacs)	No. of Shares	(INR in Lacs)	No. of Shares	(INR in Lacs)
At the beginning of the year	2,00,00,000	2,000.00	2,00,00,000	2,000.00	2,00,00,000	2,000.00
Add : Issued during the year (Refer Note(1.6)(a))	3,00,00,000	3,000.00	-	-	-	-
Outstanding at the end of the year	5,00,00,000	5,000.00	2,00,00,000	2,000.00	2,00,00,000	2,000.00

1.3 : Shareholders holding more than 5 % Equity holding :	As at March 31, 2024		As at March 31, 2023		As at 1st April 2022	
Name of the Shareholder :	No. of Shares	% of holding	No. of Shares	% of holding	No. of Shares	% of holding
Chiragbhai H. Patel	1,75,00,000	35.00%	42,00,000	21.00%	42,00,000	21.00%
Late Hasmukhbhai S. Patel	-	0.00%	28,00,000	14.00%	28,00,000	14.00%
Malavbhai G. Patel	70,00,000	14.00%	28,00,000	14.00%	28,00,000	14.00%
Girishbhai M. Patel	1,35,00,000	27.00%	54,00,000	27.00%	54,00,000	27.00%
Birvaben C. Patel	50,00,000	10.00%	20,00,000	10.00%	20,00,000	10.00%
Vipinbhai K. Patel	25,00,000	5.00%	10,00,000	5.00%	10,00,000	5.00%

1.4 Disclosure of Shareholding of Promoters

Disclosure of shareholding of promoters as at March 31, 2024 is as follows:

Promoter's Name	Shares held by promoters					
	As at March 31, 2024		As at March 31, 2023		As at April 01, 2022	
	No of Shares	% of total shares	No of Shares	% of total shares	No of Shares	% of total shares
Chiragbhai H. Patel	1,75,00,000	35.00%	42,00,000	21.00%	42,00,000	21.00%
Late Hasmukhbhai S. Patel	-	0.00%	28,00,000	14.00%	28,00,000	14.00%
Malavbhai G. Patel	70,00,000	14.00%	28,00,000	14.00%	28,00,000	14.00%
Girishbhai M. Patel	1,35,00,000	27.00%	54,00,000	27.00%	54,00,000	27.00%
Birvaben C. Patel	50,00,000	10.00%	20,00,000	10.00%	20,00,000	10.00%
Vipinbhai K. Patel	25,00,000	5.00%	10,00,000	5.00%	10,00,000	5.00%
Leenaben V Patel	10,00,000	2.00%	4,00,000	2.00%	4,00,000	2.00%
Aditya V Patel	15,00,000	3.00%	6,00,000	3.00%	6,00,000	3.00%
Umaben G Patel	20,00,000	4.00%	8,00,000	4.00%	8,00,000	4.00%
	5,00,00,000	100.00%	2,00,00,000	100.00%	2,00,00,000	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	2022-23
(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.	3,00,00,000	-

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

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(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 2022	240.50	13,286.28	13,526.78	-	13,526.78
Profit for the year		3,962.97	3,962.97	-	3,962.97
Other Comprehensive Income for the year	-	-	-	(37.12)	(37.12)
Total Comprehensive Income for the year	-	**3,962.97**	**3,962.97**	**(37.12)**	**3,925.85**
Transfer to Retained Earnings	-	(37.12)	(37.12)	37.12	-
Balance as at 31st March 2023	**240.50**	**17,212.13**	**17,452.63**	-	**17,452.63**
Balance as at 1st April 2023				-	
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)
Total Comprehensive Income for the year	-	4,806.54	4,806.54	(110.25)	4,696.29
Transfer to Retained Earnings		(110.25)	(110.25)	110.25	-
Balance as at 31st March 2024	240.50	18,908.42	19,148.92	-	19,148.92

M & B ENGINEERING LTD

NOTES TO THE FINANCIAL STATEMENTS

(INR in Lacs)

NOTE - 14 : LONG TERM BORROWINGS :

Particulars	As at 31st March 2024	As at 31st March 2023	As at 1st April 2022
Secured			
Vehicle loans - from Banks	441.87	145.18	70.35
Term Loan From Banks	4,000.00	-	
Less:			
Amount disclosed under the head "Short Term Borrowings" (Refer Note 17)	(162.56)	(66.48)	(44.61)
Unsecured			
Loans from Related parites	-	8,812.24	6,522.31
TOTAL :	4,279.31	8,890.94	6,548.05

1) Nature of Security

Vehicle Loans from banks and other parties are secured by hypothecation of the vehicle.

Term Loan from banks are secured by 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.

(INR in Lacs)

NOTE - 15 : NON CURRENT LEASE LIABILITIES

Particulars	As at 31st March 2024	As at 31st March 2023	As at 1st April 2022
Lease Liabilities	64.41	136.03	160.77
Less : Current Portion	(44.27)	(80.92)	(60.39)
TOTAL :	20.14	55.11	100.38

(INR in Lacs)

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 2024	As at 31st March 2023	As at 1st April 2022
Deferred Tax			
Opening Balance	486.93	547.37	708.82
Deferred tax asset on the following items			
Provision for Gratuity			
Unabsorbed depreciation / Business Losses	(37.76)	(54.71)	(172.65)
Lease Liability			
Deferred tax liability on the following items			
Tax on fair value changes in equity instruments through Profit and Loss	(13.84)	(5.73)	11.20
Net Deferred Tax for the year	435.33	486.93	547.37

M & B ENGINEERING LTD AHMEDABAD

M & B ENGINEERING LTD

NOTES TO THE FINANCIAL STATEMENTS

(INR in Lacs)

NOTE - 17 : SHORT TERM BORROWINGS :			
Particulars	As at 31st March 2024	As at 31st March 2023	As at 1st April 2022
Secured			
Working Capital loan from Banks	5,691.97	1,327.96	215.12
Buyer's Credit	10,241.29	3,792.62	2,412.24
Current Maturities of long term debts	162.56	66.48	44.61
TOTAL :	16,095.82	5,187.06	2,671.97

Default in terms of repayment of principal and interest - NIL

(INR in Lacs)

NOTE - 18 : CURRENT LEASE LIABILITIES			
Particulars	As at 31st March 2024	As at 31st March 2023	As at 1st April 2022
Lease Liabilities	44.27	80.92	60.39
TOTAL :	44.27	80.92	60.39

TALATI & TALATI LLP AHMEDABAD CHARTERED ACCOUNTANTS

M & B ENGINEERING LTD. AHMEDABAD

(INR in Lacs)

NOTE - 19 : TRADE PAYABLES :			
Particulars	As at 31st March 2024	As at 31st March 2023	As at 1st April 2022
Micro, Small and Medium Enterprises	110.45	1,269.13	529.10
Others	9267.65	11,759.57	18,774.52
TOTAL :	9,378.10	13,028.70	19,303.62

Micro, Small and Medium Enterprises:	As at 31st March 2024	As at 31st March 2023	As at 1st April 2022
(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 and interest due thereon	110.45	1,269.13	529.10
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	-	-	-
TOTAL :	110.45	1,269.13	529.10

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 Ageing for trade payables outstanding is as follows:

As on 31st March 2024

Particulars	Less than 1 years	1-2 years	2-3 years	More than 3 years	Total
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

As on 31st March 2023

Particulars	Less than 1 years	1-2 years	2-3 years	More than 3 years	Total
Trade payables					
MSME*	1,269.13	-	-	-	1,269.13
Others	11,744.75	2.72	4.24	7.86	11,759.57
Disputed dues - MSME*	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
	13,013.88	2.72	4.24	7.86	13,028.70

As on 31st March 2022

Particulars	Less than 1 years	1-2 years	2-3 years	More than 3 years	Total
Trade payables					
MSME*	529.10	-	-	-	529.10
Others	18,768.16	3.76	0.84	1.76	18,774.52
Disputed dues - MSME*	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
	19,297.26	3.76	0.84	1.76	19,303.62

M & B ENGINEERING LTD

NOTES TO THE FINANCIAL STATEMENTS

(INR in Lacs)

NOTE - 20 : OTHER FINANCIAL LIABILITIES :			
Particulars	As at 31st March 2024	As at 31st March 2023	As at 1st April 2022
Other Payables	1,159.35	900.11	814.87
TOTAL :	1,159.35	900.11	814.87

(INR in Lacs)

NOTE - 21 : SHORT TERM PROVISIONS :			
Particulars	As at 31st March 2024	As at 31st March 2023	As at 1st April 2022
Provision for Employee Benefits			
Provision for Employee Benefits	1,032.58	963.96	857.90
Others			
Provision for Taxation (Net)	-	254.74	147.21
TOTAL :	1,032.58	1,218.70	1,005.11

(INR in Lacs)

NOTE - 22 : OTHER CURRENT LIABILITIES :			
Particulars	As at 31st March 2024	As at 31st March 2023	As at 1st April 2022
Other payables			
Statutory Payables	309.12	231.79	303.54
Advance from customers	5,255.38	5,938.80	6,421.89
TOTAL :	5,564.50	6,170.59	6,725.43

TALATI & TALATI LLP AHMEDABAD CHARTERED ACCOUNTANTS

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NOTES TO THE FINANCIAL STATEMENTS

(INR in Lacs)

NOTE - 23 : REVENUE FROM OPERATIONS :	2023-24	2022-23
Sale of Products (Net of Returns)		
Domestic Sales	71,359.42	76,183.06
Export Sales	1,586.23	4,215.54
Sale of Services	5,775.71	5,469.01
TOTAL :	78,721.36	85,867.61

(INR in Lacs)

NOTE - 24 : OTHER INCOME :	2023-24	2022-23
Interest Income	564.31	483.77
Loss/Gain on Liquid Fund	447.94	135.85
Profit on Sale of Investment	17.75	0.78
Unrealised gain of fair value on equity instruments	133.08	-
Profit on Sale of Assets	4.06	8.10
Bad Debt Written Back	5.02	132.65
Export Incentives	26.52	57.43
Exchange Fluctuation (Net)	64.29	-
Other Non-operating Income :		
Interest on Security Deposit	1.75	1.60
Interest on EMD Deposit	33.90	22.31
Miscellaneous Income	56.89	34.73
TOTAL :	1,355.51	877.22

TALATI & TALATI LLP AHMEDABAD CHARTERED ACCOUNTANTS

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NOTES TO THE FINANCIAL STATEMENTS

(INR in Lacs)

NOTE - 25 :	2023-24	2022-23
(A) Cost of Material Consumed and Operational Expenses		
-(i) Cost of Material Consumed	51,108.14	58,647.06
-(ii) Stores & Spares Consumed	465.47	494.81
-(iii) Operational Expenses (Refer Note No : 31)	5,559.82	5,779.77
Total (A):	**57,133.43**	**64,921.64**
(B) Changes in inventories of finished goods and work in progress :		
Stock at the end of the year		
Work in Process	363.77	797.61
Finished Goods	1,646.47	975.25
	2,010.24	**1,772.86**
Stock at the beginning of the year		
Work in Process	797.61	815.73
Finished Goods	975.25	1,141.72
	1,772.86	**1,957.45**
Total (B):	**(237.38)**	**184.59**

(INR in Lacs)

NOTE - 26 : EMPLOYEE BENEFIT EXPENSE :	2023-24	2022-23
Salaries and Wages	7,014.52	6,356.95
Contribution to Provident and other Funds	375.22	253.55
Staff welfare	378.92	374.69
TOTAL :	**7,768.66**	**6,985.19**

(INR in Lacs)

NOTE - 27 : FINANCE COST :	2023-24	2022-23
Interest Expense	1,825.39	1,457.20
Bank Charges	454.63	374.80
Interest on lease liability	9.48	15.10
TOTAL :	**2,289.50**	**1,847.10**

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NOTES TO THE FINANCIAL STATEMENTS

(INR in Lacs)

NOTE - 28 : OTHER EXPENSES :	2023-24	2022-23
Power & Fuel	291.38	266.36
Rent	76.41	72.86
Repairs To :		
(i) Machinery	228.21	231.41
(ii) Building	9.35	137.38
(iii) Others	20.67	13.16
Unrealised loss of fair value on equity instruments	-	55.14
Insurance	104.10	96.46
Rates & Taxes	20.21	54.47
Auditor's Remuneration (Refer Note No: 30)	28.62	20.26
Postage, Telegram and Telephone	30.73	46.75
Stationery, Printing Expenses	83.00	67.83
Factory Expenses	110.19	70.87
Conveyance and Vehicle Expenses	452.82	390.57
Legal & Consultancy	319.07	333.07
Staff Recruitment & Staff Training Exps	26.99	25.19
Travelling Expenses	291.04	351.46
Electric Expense	24.25	21.60
Exchange Fluctuation (Net)	-	160.49
Bad Debt written off	557.27	192.70
Advertisement & Publicity Expenses	22.45	23.58
Packing Expenses	44.18	39.73
Sales Commission	52.11	61.88
Transportation Outward Expenses	1,407.47	1,384.17
Sundry Dr./Cr. Balance written off	6.80	13.00
Export Expenses	125.39	1,187.15
Miscellaneous Expenses	299.90	178.48
Manpower Supply	1,089.71	1,000.34
Security Expenses	62.71	38.73
Corporate Social Responsibility (Refer Note No: 40)	65.32	41.32
Donation	0.80	0.78
Exhibition Expenses	16.13	15.93
Sales Promotion Expenses	10.09	22.30
Conference Expenses	65.19	37.02
TOTAL :	5,942.56	6,652.44

TALATI & TALATI LLP AHMEDABAD CHARTERED ACCOUNTANTS

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NOTES TO THE FINANCIAL STATEMENTS

(INR in Lacs)

NOTE - 29 : EARNING PER SHARE :	2023-24	2022-23
(a) Profit attributable to shareholders as per statement of Profit and Loss	4,806.54	3,962.97
(b) Weighted Average No. of equity shares used as denominator for calculating EPS	50,000,000	50,000,000
(c) Earnings per Share (INR)		
Basic	9.61	7.93
Diluted	9.61	7.93
(d) Face Value per Equity share (INR)	10.00	10.00

(INR in Lacs)

NOTE - 30 : AUDITOR'S REMUNERATION :	2023-24	2022-23
As Audit Fees	26.55	19.80
For Tax Audit Fees & Other Taxation Fee	0.30	0.30
For Certification Fees	0.77	0.16
For Other Matters	1.00	-
TOTAL	28.62	20.26

M & B ENGINEERING LTD

NOTES TO THE FINANCIAL STATEMENTS

(INR in Lacs)

Note 31 : Operational Expenses :	2023-24	2022-23
Crane Hire Charges	250.12	339.43
Entry Tax & Toll Tax	58.43	68.20
Labour Charges	76.13	56.52
Erection Charges	4,079.00	4,153.88
Site Exp Diesel	297.69	361.84
Site Exp Lodging & Boarding	342.80	363.79
Site Exp Stationary	7.79	7.04
Site Exp-Conveyance	274.02	255.74
Site Exp-Maintainance	39.41	43.04
Site Exp-Others	134.36	130.08
Site Exp-Telephone	0.07	0.21
TOTAL:	5,559.82	5,779.77

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M & B ENGINEERING LTD. AHMEDABAD

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NOTES TO THE FINANCIAL STATEMENTS

Note - 32 : RELATED PARTY DISCLOSURES UNDER IND AS-24 :

Related Parties	Nature of Relationship
Phenix Building Solutions Private Limited	Wholly owned Subsidiary w.e.f. 01.03.2024
Phenix Building Solutions Private Limited	Significant Influence up to 29.02.2024
M B Enterprise	Significant Influence
Phenix Building Services	Significant Influence
Manibhai Brothers	Significant Influence
Manibhai Brothers Sleepers	Significant Influence
Manibhai and Brothers PCC Sarkhej (Previously known as M & B Urban Estate)	Significant Influence
Maxim Finance Private Limited	Significant Influence
Manibhai Brothers Finance Corporation	Significant Influence
Usha Prestressed Sleeper Udhyog Piplod	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
Phenix Construction Technologies INC	Wholly owned Subsidiary
Modtech Machines Private Limited	Subsidiary upto 23.05.2023
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	Relatives of Key Management Personnel
Aditya V. Patel	Relatives of Key Management Personnel
Hasmukhbhai S. Patel	Relatives of Key Management Personnel

TALATI & TALATI LLP AHMEDABAD CHARTERED ACCOUNTANTS

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Note - 32 : RELATED PARTY DISCLOSURES UNDER IND AS-24 : Continue

Disclosure of Transactions between Company and Related Parties

(INR in Lacs)

Nature of Transaction	2023-24				2022-23			
	Significant Influence	Key Managerial Personnel	Relative of Key Managerial Personnel	Subsidiary Company	Significant Influence	Key Managerial Personnel	Relative of Key Managerial Personnel	Subsidiary Company
Sale of goods	16,465.09	-	-	3,231.96	28,759.58	-	-	2,286.81
Investment made	-	-	-	1,327.00	-	-	-	-
Unsecured Loan Given	-	-	-	381.03	-	-	-	581.67
Interest on Loan received	-	-	-	45.84	-	-	-	33.84
Loan repaid	-	-	-	785.49	-	-	-	94.80
Outstanding Loan given	-	-	-	935.11	-	-	-	1,293.73
Unsecured Loan Outstanding	-	-	-	-	7,027.88	1,440.21	344.15	-
Outstanding Receivables	351.16	-	-	4,293.10	5,491.63	-	-	748.62
Expenses Paid	200.75	-	-	-	131.03	-	-	-
Expenses Recovered	10.74	-	-	-	10.89	-	-	-
Interest on Loan Paid	776.93	142.68	2.83	-	632.00	132.23	31.57	-
Purchase of goods	1,359.45	-	-	-	9,784.38	-	-	-
Rent Paid	57.57	-	-	-	50.40	-	-	-
Donation made	-	-	-	-	36.00	-	-	-
Unsecured Loan Taken	12,285.02	142.68	2.83	-	9,819.00	131.87	-	-
Unsecured Loan Repaid	20,089.82	1,582.90	346.97	-	8,244.00	16.68	3.16	-
Outstanding Payables	90.00	-	-	-	573.68	-	-	-
Directors' Remuneration	-	631.25	-	-	-	572.57	-	-
Salary paid	-	-	164.82	-	-	-	131.27	-
Sale of Servcie	-	-	-	151.52	-	-	-	-

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

Particulars	2023-24		2022-23	
	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	935.11	100%	1293.73	100%

TALATI & TALATI LLP CHARTERED ACCOUNTANTS AHMEDABAD

M & B ENGINEERING LTD. AHMEDABAD

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NOTES TO THE FINANCIAL STATEMENTS

(INR in Lacs)

NOTE - 33 :		
MATERIAL CONSUMED :	**2023-24**	**2022-23**
HR Coils	61.93	216.94
HR Plates	18,807.27	18,774.97
Sheeting	18,255.07	27,613.18
Other Steel	7,517.99	4,462.39
Other material	6,465.88	7,579.58
TOTAL	**51,108.14**	**58,647.06**

(INR in Lacs)

NOTE - 34 :		
CONTINGENT LIABILITY :	**2023-24**	**2022-23**
Outstanding Bank Guarantee	8,228.42	8,201.69
TOTAL	**8,228.42**	**8,201.69**

(INR in Lacs)

NOTE - 35 :		
VALUE OF IMPORTS ON C.I.F. BASIS DURING THE YEAR :	**2023-24**	**2022-23**
(i) Material Purchased	17,171.84	10,720.07
(ii) Components – spare parts	27.02	65.61
(iii) Capital Goods	366.09	183.10
TOTAL	**17,564.95**	**10,968.78**

TALATI & TALATI LLP AHMEDABAD CHARTERED ACCOUNTANTS

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NOTES TO THE FINANCIAL STATEMENTS

(INR in Lacs)

NOTE - 36 :		
EARNING IN FOREIGN EXCHANGE ON ACCOUNT OF :	**2023-24**	**2022-23**
Earning in foreign exchange	1,621.82	4,249.39
TOTAL	**1,621.82**	**4,249.39**

(INR in Lacs)

NOTE - 37 :		
EXPENDITURE IN FOREIGN CURRENCY ON ACCOUNT OF :	**2023-24**	**2022-23**
Expenditure in foreign currency		
– Foreign Travelling	53.20	47.59
– Interest	466.97	213.99
– Others	47.26	93.87
TOTAL	**567.43**	**355.45**

NOTE - 38:		Shareholding as at
LIST OF SUBSIDIARY COMPANIES	**2023-24**	**2022-23**
Phenix Construction Technologies INC	100%	100%
Modtech Machines Private Limited	0%	51%
Phenix Building Solutions Private Ltd	100%	0%

TALATI & TALATI LLP AHMEDABAD CHARTERED ACCOUNTANTS

M & B ENGINEERING LTD AHMEDABAD

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 31/03/2024	Balance outstanding as on 31/03/2023	Purchase/ (Sales)	(Payment)/ Receipt
1	Indra Infra Steels Pvt Ltd	Contractor	Only business relationship	0.03 credit	0.03 credit	NIL	NIL
2	Cinven Engineering Pvt Ltd	Contractor	Only business relationship	1.27 credit	1.41 credit	NIL	0.14

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 2024.

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M & B ENGINEERING LTD AHMEDABAD

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1. Notes to the Financial Statements : 23-24

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.

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

TALATI & TALATI LLP AHMEDABAD CHARTERED ACCOUNTANTS

M & B ENGINEERING LTD. AHMEDABAD

1. Notes to the Financial Statements : 23-24

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. 65.32 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. 64,65,588
B. Amount of expenditure incurred : Rs. 65,32,000
C. Shortfall at the end of the year : Nil
D. Total of previous years' shortfall : Nil
E. Reason for shortfall : N.A.
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 LTD

NOTES TO THE FINANCIAL STATEMENTS

41. Effects of Ind AS adoption on Balance Sheet as at 31st March, 2023 and 1st April, 2022

PARTICULARS	Note No.	As at 31st March 2023			As at 1st April 2022		
		IGAAP	Ajdustment	IND AS	IGAAP	Ajdustment	IND AS
ASSETS :							
NON CURRENT ASSETS :							
Property Plant & Equipment		7,039.73	-	7,039.73	6,060.18	-	6,060.18
Capital Work In Progress		77.60	-	77.60	72.58	-	72.58
Intangible assets		196.43	-	196.43	274.00	-	274.00
Right of use assets	1	-	119.79	119.79	-	153.38	153.38
Investments in subsidiaries, associates and Joint venture		538.07	-	538.07	538.07	-	538.07
Financial Assets							
-(i) Non Current Investment	3	357.99	153.75	511.74	357.99	208.87	566.86
-(ii) Loans		30.00	-	30.00	30.00	-	30.00
-(iii) Other financial assets		383.03	(51.07)	331.96	615.40	(74.97)	540.43
Total Non Current Assets		8,622.85	222.47	8,845.32	7,948.22	287.28	8,235.50
CURRENT ASSETS :							
Inventories		16,383.84	-	16,383.84	18,326.54	-	18,326.54
Financial Assets				-			
-(i) Trade Receivables		11,791.42	-	11,791.42	12,353.52	-	12,353.52
-(ii) Cash and cash equivalents		9,721.00	-	9,721.00	5,047.58	-	5,047.58
-(iii) Bank Balance other than above		2,693.90	-	2,693.90	4,102.00	-	4,102.00
-(iv) Loans		1,321.55	-	1,321.55	832.28	-	832.28
-(v) Other Current Financial Assets		31.47	-	31.47	18.36	-	18.36
Other Current Assets		4,683.19	-	4,683.19	4,388.19	-	4,388.19
Total Current Assets		46,626.37	-	46,626.37	45,068.47	-	45,068.47
TOTAL :		55,249.22	222.47	55,471.69	53,016.69	287.28	53,303.97
EQUITY AND LIABILITIES							
EQUITY:							
Equity Share Capital		2,000.00	-	2,000.00	2,000.00	-	2,000.00
Other Equity		17,382.18	70.45	17,452.63	13,421.99	104.79	13,526.78
		19,382.18	70.45	19,452.63	15,421.99	104.79	15,526.78
NON CURRENT LIABILITIES :							
Financial Liabilities							
-(i) Borrowings		8,890.94	-	8,890.94	6,548.05	-	6,548.05
-(ii) Lease Liability	1	-	55.11	55.11	-	100.38	100.38
Deferred Tax Liability	2	470.94	15.99	486.93	525.65	21.72	547.37
		9,361.88	71.10	9,432.98	7,073.70	122.10	7,195.80
CURRENT LIABILITIES :							
Financial Liabilities							
-(i) Short Term Borrowings		5,187.06	-	5,187.06	2,671.97	-	2,671.97
-(ii) Lease Liabilities	1	-	80.92	80.92		60.39	60.39
-(iii) Trade Payables		13,028.70	-	13,028.70	19,303.62	-	19,303.62
-(iv) Other financial liabilities		900.11	-	900.11	814.87	-	814.87
Short Term Provisions		1,218.70	-	1,218.70	1,005.11	-	1,005.11
Other current liabilities		6,170.59	-	6,170.59	6,725.43	-	6,725.43
		26,505.16	80.92	26,586.08	30,521.00	60.39	30,581.39
TOTAL :		55,249.22	222.47	55,471.69	53,016.69	287.28	53,303.97

*The IGAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

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NOTES TO THE FINANCIAL STATEMENTS

Effects of Ind AS adoption on Standalone Statement of Profit & Loss for the year ended 31st March, 2023

(INR in Lacs)

PARTICULARS	Note No.	As per IGAAP	Adjustments	As per IND AS
A. INCOME :				
Revenue From Operations		85,867.61	-	85,867.61
Other Income		853.31	23.91	877.22
TOTAL INCOME :		**86,720.92**	**23.91**	**86,744.83**
B. EXPENDITURE :				
Cost of Materials Consumed & Operational Expenses		64,921.64	-	64,921.64
Purchase of Stock in Trade		-	-	-
Changes in inventories		184.59	-	184.59
Employee benefits expenses	4	7,022.31	(37.12)	6,985.19
Finance Cost	1	1,832.00	15.10	1,847.10
Depreciation & Amortization	1	871.20	66.49	937.69
Other expenses	1 & 3	6,670.04	(17.60)	6,652.44
TOTAL EXPENSES :		**81,501.78**	**26.87**	**81,528.65**
Profit Before Tax & Exceptional Item :		**5,219.14**	**(2.96)**	**5,216.18**
Add/(Less) : Exceptional Item - Income / (Expense)		-	-	-
Profit Before Tax : (PBT) :		**5,219.14**	**(2.96)**	**5,216.18**
LESS/[ADD] : TAX EXPENSES :				
Current Tax		1,313.65	-	1,313.65
Short / (Excess) Provision of Taxes of Earlier Years		-		-
Deferred Tax Liability / Asset	2	(54.71)	(5.73)	(60.44)
Total Tax Provision :		**1,258.94**	**(5.73)**	**1,253.21**
Profit / (loss) for the period		**3,960.20**	**2.77**	**3,962.97**
Other Comprehensive Income				
Items that will not be reclassified to profit or loss (net of tax)				
Remeasurements of the employee defined benefit plan		-	(27.78)	(27.78)
Income Tax effect on the above	4		(9.34)	(9.34)
Total of Other Comprehensive Income for the year		-	**(37.12)**	**(37.12)**
Total Comprehensive Income for the year		**3,960.20**	**(34.35)**	**3,925.85**

*The IGAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

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41. First-time adoption of Ind AS

These financial statements, for the year ended March 31, 2024, are the first financial statement the Company has prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2023, the Company prepared its financial statements in accordance with the accounting standards notified under Section 133 of the Companies Act, 2013 read together with the Companies (Accounting Standards) Rules 2021 and presentation requirements of Division I of Schedule III to the Companies Act, 2013 ('Previous GAAP/Indian GAAP').

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2024 together with the comparative period data as at and for the year ended March 31, 2023, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 01, 2022, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at April 01, 2022 and the financial statements as at and for the year ended March 31, 2023.

Exemptions applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

1. **Deemed cost: Property, plant and equipment, capital work in progress and intangible assets**

   A first-time adopter may elect to measure an item of property, plant and equipment, right to use assets (leasehold land) at the date of transition at its fair value and use that fair value as its deemed cost at that date. In addition to this, Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for intangible assets as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. The Company has elected to continue with the carrying value for the property, plant and equipment, capital work in progress and intangible assets and use it as deemed cost (net of depreciation/amortization) as at the date of transition (i.e. April 01, 2022).

2. **Leases**

   As per Indian Accounting Standard (Ind AS) 101 First-time Adoption of Ind AS, provides exceptions to the retrospective application of Ind AS 116 lease. Accordingly a first time adopter may assess the classification of each element as finance or an operating lease at the date of transition to Ind AS on the basis of the facts and circumstances existing as at that date. If there is any lease newly classified as finance lease then the first time adopter may recognise assets and liability at fair value on that date; and any difference between those fair values is recognised in retained earnings. Ind AS 116 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 116, this assessment should be carried out at the inception of the contract or arrangement. However, the Company has used Ind AS 101 exemption where a first time adopter may assess whether a contract existing at the date of transition to Ind AS's contains leases by applying paragraph 9-11 of Ind AS 116 to those contracts on the basis of facts and circumstances existing at that date. The Company as first time adopter as a lessee recognised lease liabilities and right to use assets, and had adopted following approach to all of its leases by adopting modified retrospective method: (a) measured a lease liability at the date of transition to Ind AS. The Company has measured that lease liability at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at the date of transition to Ind AS. (b) measured a right-of-asset at the date of transition to Ind AS. The right-of-use assets were recognised based on the amount equal to the lease liabilities, and accrued lease payments previously recognised and reclassification of Leasehold land recognised previously under finance leases from property, plant and equipments.

Practical expedients applied:

In applying Ind AS 116 for the first time, the Company has used the following practical expedients permitted by the standard:

(a) applied a single discount rate to a portfolio of leases with reasonably similar characteristics (i.e. a similar remaining lease term for a similar class of underlying asset in a similar economic environment).

(b) elected not to apply the requirements of recognising lease liabilities and right to use assets for which the lease term ends within 12 months of the date of transition to Ind AS. Instead , the Company accounted these leases as if they were short term leases and have accounted these lease payments as an expense on either a straight line basis over the lease term or another systematic basis.

(c) elected not to apply the requirements of recognising lease liabilities and right to use assets for which the underlying asset is of low value. Instead, the Company accounted these leases as if they were short term leases and have accounted these lease payments as an expense on either a straight line basis over the lease term or another systematic basis.

(d) excluded initial direct costs from the measurement of the right to use assets at the date of transition to Ind AS.

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1. Notes to the Financial Statements : 23-24

3. Investments in certain equity shares

On the date of transition to Ind AS, a first time adopter can designate investments in certain equity shares of certain entities i.e. other than subsidiaries, associates and joint arrangements, as instruments fair valued through the other comprehensive income (FVOCI) or Fair value through Profit and loss (FVTPL).

Accordingly, the Company has opted to designate such equity investments as FVTPL.

4. Deemed cost for investments in equity shares of subsidiaries

Under, Ind AS 101 an entity can determine the value of investment in a subsidiary as either of the below:

- Cost determined in accordance with Ind AS 27 (i.e. retrospective application of Ind AS 27)
- Fair value at the entity's date of transition to Ind AS
- Previous GAAP carrying amount

Accordingly, if an entity chooses to measure its investment at fair value at the date of transition then that is deemed to be cost of such investment for the company and, therefore, it shall carry its investment at that amount (i.e. fair value at the date of transition) after the date of transition.

The Company has elected to carry forward the Previous GAAP amounts as the deemed cost for investment in equity shares of subsidiaries in the financial statements.

Ind AS mandatory exceptions

1. Estimate

The estimates at April 01, 2022 and at March 31, 2023 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:

- Fair valuation of financial instruments carried at FVTPL.
- Determination of the discounted value for financial instruments carried at amortised cost.
- Impairment of financial assets based on expected credit loss model.

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at April 01, 2022, the date of transition to Ind AS and as of March 31, 2023.

2. Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS. The Company has applied the above requirement on transition date.

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1. Notes to the Financial Statements : 23-24

Footnotes to the reconciliation of Balance Sheet as at April 01, 2022 and March 31, 2023 and profit or loss for the year ended March 31, 2023.

1. **Leases**

   Lease recognised as operating leases in previous GAAP The Company has adopted modified retrospective method of Ind AS 116 and recognised the lease liabilities and right-to-use assets at the date of transition to Ind AS i.e. April 01, 2022 on the leases existing at that date. Lease liability recognised at fair value by measuring at present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of transition to Ind AS. Right to use asset recognised an amount equal to the lease liability and security deposit of the respective lease. Hence at the date of transition to Ind AS i.e. April 01, 2022, lease liability of Rs. 160.77 Lacs and right to use asset of Rs.153.38 were recognised. This led to increase in depreciation and interest expense by Rs. 66.49 Lacs and 15.10 Lacs respectively and decrease in (reversal of) rent of Rs. 72.74 Lacs in the year ended March 31, 2023.

2. **Deferred tax**

   Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP. In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Company has to account for such differences. Accordingly, deferred tax liability is increased by 15.99 Lacs as at March 31, 2023 and by 21.72 Lacs as at April 01, 2022.The deferred tax charge(credit) is increased by Rs.5.73 Lacs in year ended March 31, 2023.

3. **Fair valuation of investments in certain financial assets**

   Under the Previous GAAP, investments in equity shares of entities not consolidated and mutual funds were classified as long-term investments measured at cost less provision for other than temporary diminution in the value. Under Ind AS, these investments have been fair valued through the statement of profit or loss. This has increased the equity by INR 208.87 lakhs and INR 153.75 lakhs on April 1, 2022 and March 31, 2023 respectively.

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1. Notes to the Financial Statements : 23-24

4. Actuarial gains and losses accounted through OCI

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under IGAAP, these remeasurements were forming part of the profit or loss for the year. Accordingly, INR 37.12 lakhs has been reclassified from the statement of profit and loss to statement of comprehensive income in 2022-23 (net of taxes 27.78 lacs). However, this adjustment has no impact on the total equity on the transition date as well as March 31, 2023.

5. Other comprehensive income

Under Indian GAAP, the Company has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP profit or loss to profit or loss as per Ind AS. Further, Indian GAAP profit or loss is reconciled to total comprehensive income as per Ind AS.

6. Retained earnings

Retained earnings as at April 1, 2022 has been adjusted consequent to the Ind AS transition adjustments.

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42 Fair Value Measurements

A Accounting Classification and Fair Values

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	1,344.17	-	689.88	-	2,034.05	689.88	1,344.17	-	2,034.05
Loans	-	1,010.70	-	-	1,010.70	-	1,010.70	-	1,010.70
Trade Receivables	-	11,791.42	-	-	11,791.42	-	11,791.42	-	11,791.42
Cash and Cash Equivalents	-	6,321.31	-	-	6,321.31	-	6,321.31	-	6,321.31
Other Bank Balances	-	2,578.81	-	-	2,578.81	-	2,578.81	-	2,578.81
Other Financial Assets	-	358.69	-	-	358.69	-	358.69	-	358.69
Total Financial Assets	**1,344.17**	**22,060.93**	**689.88**	**-**	**24,094.98**	**689.88**	**23,405.10**	**-**	**24,094.98**
Borrowings (Incl. Current Maturities)	-	20,375.13	-	-	20,375.13	-	20,375.13	-	20,375.13
Lease Liabilities	-	64.41	-	-	64.41	-	64.41	-	64.41
Trade Payable	-	9,378.10	-	-	9,378.10	-	9,378.10	-	9,378.10
Other Financial Liabilities	-	1,159.35	-	-	1,159.35	-	1,159.35	-	1,159.35
Total Financial Liabilities	**-**	**30,976.99**	**-**	**-**	**30,976.99**	**-**	**30,976.99**	**-**	**30,976.99**

As at March 31, 2023 (INR In Lacs)

Particulars	Carrying Value					Fair Value			
	At Cost	Amortised Cost	FVTPL	FVTOCI	Total	Level 1	Level 2	Level 3	Total
Investments	538.07	-	511.74	-	1,049.81	511.74	538.07	-	1,049.81
Loans	-	1,351.55	-	-	1,351.55	-	1,351.55	-	1,351.55
Trade Receivables	-	11,791.42	-	-	11,791.42	-	11,791.42	-	11,791.42
Cash and Cash Equivalents	-	9,721.00	-	-	9,721.00	-	9,721.00	-	9,721.00
Other Bank Balances	-	2,693.90	-	-	2,693.90	-	2,693.90	-	2,693.90
Other Financial Assets	-	363.43	-	-	363.43	-	363.43	-	363.43
Total Financial Assets	**538.07**	**25,921.30**	**511.74**	**-**	**26,971.11**	**511.74**	**26,459.37**	**-**	**26,971.11**
Borrowings (Incl. Current Maturities)	-	14,078.00	-	-	14,078.00	-	14,078.00	-	14,078.00
Lease Liabilities	-	136.03	-	-	136.03	-	136.03	-	136.03
Trade Payable	-	13,028.70	-	-	13,028.70	-	13,028.70	-	13,028.70
Other Financial Liabilities	-	900.11	-	-	900.11	-	900.11	-	900.11
Total Financial Liabilities	**-**	**28,142.84**	**-**	**-**	**28,142.84**	**-**	**28,142.84**	**-**	**28,142.84**

As at April 01, 2022 (INR In Lacs)

Particulars	Carrying Value					Fair Value			
	At Cost	Amortised Cost	FVTPL	FVTOCI	Total	Level 1	Level 2	Level 3	Total
Investments	538.07	-	566.86	-	1,104.93	566.86	538.07	-	1,104.93
Loans	-	862.28	-	-	862.28	-	862.28	-	862.28
Trade Receivables	-	12,353.52	-	-	12,353.52	-	12,353.52	-	12,353.52
Cash and Cash Equivalents	-	5,047.58	-	-	5,047.58	-	5,047.58	-	5,047.58
Other Bank Balances	-	4,102.00	-	-	4,102.00	-	4,102.00	-	4,102.00
Other Financial Assets	-	558.79	-	-	558.79	-	558.79	-	558.79
Total Financial Assets	**538.07**	**22,924.17**	**566.86**	**-**	**24,029.10**	**566.86**	**23,462.24**	**-**	**24,029.10**
Borrowings (Incl. Current Maturities)	-	9,220.02	-	-	9,220.02	-	9,220.02	-	9,220.02
Lease Liabilities	-	160.77	-	-	160.77	-	160.77	-	160.77
Trade Payable	-	19,303.63	-	-	19,303.63	-	19,303.63	-	19,303.63
Other Financial Liabilities	-	814.87	-	-	814.87	-	814.87	-	814.87
Total Financial Liabilities	**-**	**29,499.29**	**-**	**-**	**29,499.29**	**-**	**29,499.29**	**-**	**29,499.29**

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.

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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, 2023 and March 31, 2022.

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:

(INR in Lacs)

Particulars	As at		
	31st March 2024	31st March 2023	01st April 2022
Financial Assets			
Loans	1,016.79	1,351.55	862.28
Security Deposits	-	-	-
	1,016.79	1,351.55	862.28
Financial Liabilities			
Borrowings (Including current maturities)	20,375.13	14,073.00	5,228.02
Lease Liability	64.41	135.03	160.77
	20,439.54	14,208.03	5,388.79

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

(INR in Lacs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023	Year ended April 01,2022
Increase in 100 basis points	(145.39)	(96.25)	(63.74)
Decrease in 100 basis points	145.39	96.25	63.74

II 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.

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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

(INR in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
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 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
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	9,320.15	57.95	9,378.10
Other Financial Liabilities	1,159.35	1,159.35	-	1,159.35
Total	30,912.58	26,575.32	4,337.26	30,912.58
As at March 31, 2023				
Financial Liabilities				
Borrowings	14,078.00	5,187.06	8,890.94	14,078.00
Trade Payables	13,028.70	13,013.88	14.82	13,028.70
Other Financial Liabilities	900.11	900.11	-	900.11
Total	28,006.81	19,101.05	8,905.76	28,006.81
As at April 01, 2022				
Financial Liabilities				
Borrowings	9,220.02	2,671.97	6,548.05	9,220.02
Trade Payables	19,303.62	19,303.62	-	19,303.62
Other Financial Liabilities	814.87	814.87	-	814.87
Total	29,338.52	22,790.47	6,548.05	29,338.52

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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
As at March 31, 2024				
Financial Assets				
Investments	2,034.05	2,034.03	-	2,034.03
Loans	1,010.70	924.86	-	924.86
Trade Receivables	11,791.42	10,923.82	867.60	11,791.42
Cash and Cash Equivalents	6,321.31	6,321.31	-	6,321.31
Other Bank Balances	2,576.81	2,576.81	-	2,576.81
Other Financial Assets	358.05	23.75	-	23.75
Total	24,094.38	22,804.58	867.60	23,672.18
As at March 31, 2023				
Financial Assets				
Investments	1,049.81	1,049.81	-	1,049.81
Loans	1,321.55	1,321.55	-	1,321.55
Trade Receivables	11,791.43	10,969.13	822.30	11,791.43
Cash and Cash Equivalents	9,721.00	9,721.00	-	9,721.00
Other Bank Balances	2,693.90	2,693.90	-	2,693.90
Other Financial Assets	31.47	31.47	-	31.47
Total	26,609.16	25,786.86	822.30	26,609.16
As at March 31, 2022				
Financial Assets				
Investments	1,104.93	1,104.93	-	1,104.93
Loans	862.28	832.28	-	832.28
Trade Receivables	12,353.52	11,895.89	457.63	12,353.52
Cash and Cash Equivalents	5,047.58	5,047.58	-	5,047.58
Other Bank Balances	4,102.00	4,102.00	-	4,102.00
Other Financial Assets	558.75	18.36		18.36
Total	24,028.10	23,001.04	457.63	23,458.67

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 2024	31st March 2023	01st April 2022
Total Borrowings	20,375.13	14,078.00	9,220.02
Less: Cash and Cash equivalents	6,321.31	9,721.00	5,047.58
Adjusted Net debt	14,053.82	4,357.00	4,172.44
Total Equity	24,148.92	19,453.63	15,526.78
Adjusted Net debt to equity ratio	58.20%	22.40%	26.87%

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NOTES TO THE FINANCIAL STATEMENTS

43 Ratio Analysis:

Sr.No.	Particulars	Numerator	Denominator	2023-2024	2022-2023	% Variance	Remarks
1	Current ratio (in times)	Total current assets	Total current liabilites	1.37	1.75	-22%	
2	Debt-Equity ratio (in times)	Debt consists of borrowings and lease liabilities	Total Equity	0.85	0.73	16%	
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	4.10	4.34	-6%	
4	Return on equity ratio (in %)	Profit for the year less Preference dividend (if any)	Total Equity	19.45%	20.18%	-0.73%	
5	Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	6.60	7.11	-7%	
6	Trade payables turnover ratio (in times)	Cost of operation (Reduced by Employee Benefits, Finance Cost & Depreciation) + Other expenses	Average trade payables	5.61	4.44	26%	1
7	Net capital turnover ratio (in times)	Revenue from operations	Net working capital (i.e. Total current assets less Total current liabilities	6.48	4.28	51%	2
8	Net profit ratio (in %)	Profit for the year	Total Revenue	5.86%	4.53%	1.33%	
9	Return on capital employed (in %)	Profit before tax and finance costs	Capital employed = Total Assets (-) Current Liabilities	29.75%	24.45%	5.30%	
10	Return on Investment (in %)	Income generated from invested funds	Average invested funds in treasury investments	0.86%	0.95%	-0.10%	

1 The increase in ratio is due to decrease in average trade payables
2 The increase in ratio is due to decrease in Net working capital

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NOTES TO THE FINANCIAL STATEMENTS

Disclosure pursuant to Ind AS-19 'Employee Benefits:

44.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:

Particulars	Year 2023-2024	Year 2022-2023	Year 2021-2022
Employer's Contribution to Provident Fund	347.13	255.30	219.99

(b) Defined Benefit Plans

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

Particulars	Year 2023-2024 Gratuity	Year 2022-2023 Gratuity	Year 2021-2022 Gratuity
Opening Defined Benefit Obligation	536.17	490.98	450.35
Interest Cost	40.11	35.11	30.89
Current Service Cost	46.58	48.06	47.26
Past service cost	-	-	-
Benefit Paid	(84.31)	(69.82)	(65.24)
Actuarial Gain / Loss	111.75	31.84	27.72
Closing Defined Benefit Obligation	665.80	536.17	490.98

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

Particulars	Year 2023-2024 Gratuity	Year 2022-2023 Gratuity	Year 2021-2022 Gratuity
Opening value of plan assets	534.12	498.32	449.75
Expected return	40.06	35.63	30.85
Actuarial gain (Loss)	1.50	(5.29)	(7.52)
Contributions by employer	92.31	75.28	90.48
Benefits paid		(69.82)	(65.24)
Closing value of planned assets	667.99	534.12	498.32

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

Particulars	Year 2023-2024 Gratuity	Year 2022-2023 Gratuity	Year 2021-2022 Gratuity
Define Benefit Obligation	669.80	536.17	490.98
Fair value of Planned assets	667.99	534.12	498.32
Less : Unrecognized past service cost	-	-	-
Amount Recognized in Balance Sheet	3.81	2.05	(7.34)

(iv) Expense Recognized during the year:

Particulars	Year 2023-2024 Gratuity	Year 2022-2023 Gratuity	Year 2021-2022 Gratuity
Current Service Cost	46.58	48.06	47.26
Interest Cost	0.15	(0.52)	0.04
Expected return on planned assets	-	-	-
Past year cost-vested	-	-	-
Net Actuarial (Gain) / Loss Recognized in the year	110.24	37.12	35.24
Closing Defined Benefit Obligation	156.97	84.66	82.54

(v) Actuarial Assumptions:

Particulars	Year 2023-2024	Year 2022-2023	Year 2021-2022
Discount Rate	7.23%	7.50%	7.15%
Salary Escalation	4.00%	4.00%	4.00%
Rate of Return on Plan Asset	7.23%	7.50%	7.15%
Employee Turnover	For service 2 years and below 32.00% p.a. For service 3 years to 4 years 25.00% p.a. For service 5 years and above 5.00% 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.	For service 4 years and below 22.00% p.a. For service 5 years to 8 years 12.00% p.a. For service 9 years and above 3.00% p.a.
Mortality Rate During Employment	Indian Assured Life Mortality 2012-14 (Urban)	Indian Assured Life Mortality 2012-14 (Urban)	Indian Assured Life Mortality 2012-14 (Urban)

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(vi) Sensitivity Analysis

Particulars	Year 2023-2024	Year 2022-2023	Year 2021-2022
Defined Benefit Obligation on Current Assumptions	669.80	536.17	490.98
Delta Effect of +1% Change in Rate of Discounting	(57.88)	(46.57)	(42.44)
Delta Effect of -1% Change in Rate of Discounting	67.37	54.32	49.68
Delta Effect of +1% Change in Rate of Salary Increase	63.85	50.83	45.73
Delta Effect of -1% Change in Rate of Salary Increase	(55.47)	(44.33)	(40.12)
Delta Effect of +1% Change in Rate of Employee Turnover	20.35	19.16	15.84
Delta Effect of -1% Change in Rate of Employee Turnover	(22.89)	(21.54)	(17.93)

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

Umesh Talati
(Partner)
Membership Number : 034834

Place : Ahmedabad
Date : June 06,2024

For and on behalf of Board of Directors

Chirag H. Patel
Chairman & Jt. Managing Director
DIN: 00260102

Malav G. Patel
Joint Managing Director
DIN: 00260514

Pankaj Naresh
Chief Executive Officer

Mayur S. Patel
Chief Executive Officer

Keyur B. Shah
Chief Financial Officer
Place : Ahmedabad
Date : June 06,2024

Palak D. Parekh
Company Secretary

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M&B ENGINEERING LTD.

TALATI & TALATI LLP
AHMEDABAD
CHARTERED ACCOUNTANTS

M & B ENGINEERING LIMITED

CONSOLIDATED FINANCIAL STATEMENTS

2023-24

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, 2024, 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, 2024, 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.

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

(a) We did not audit the Financial Statements of the 2 Subsidiaries, whose financial statements reflect total assets of Rs. 1349.43/- lacs as at 31st March, 2024, total revenues of Rs. 1241.95/- lacs and net cash flows amounting to Rs. 354.95/- lacs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit (loss) of Rs. (313.33)/- lacs for the year ended 31st March, 2024, as considered in the consolidated financial statements, whose financial statements have not been audited by us.

The financial statements / financial information of one domestic subsidiary (Modtech Machines private limited, which Cease to exist as subsidiary from 23rd May 2023) have been unaudited and have been furnished to us as certified by the management. The financial statements / financial information of foreign subsidiary (Phenix Construction Technologies INC) have been furnished to us as certified by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, is based solely on reports of management.

(b) 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, 2024 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 31st March, 2024 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 2024.

c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries companies incorporated in India during the year ended 31 March 2024.

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, 2024 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.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

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: 24034834BKALIR3231

Place of Signature: Ahmedabad
Date: 06th June, 2024

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, 2024, we have audited the internal financial controls over financial reporting of Cliantha Research 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, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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.

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

(Umesh Talati)
Partner
Membership No. 034834
UDIN: 24034834BKALIR3231

Place of Signature: Ahmedabad
Date: 06th June, 2024

M & B ENGINEERING LTD
CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2024

(INR in Lacs)

	Note No.	As on 31st March 2024	As on 31st March 2023	As on 31st March 2022
ASSETS :				
NON CURRENT ASSETS :				
Property Plant & Equipment	2(A)	7,553.24	7,492.95	6,492.72
Capital Work In Progress	2(B)	6,622.61	185.70	180.68
Intangible assets	2(C)	113.70	331.72	439.22
Right of use assets	3	53.60	119.79	153.38
Financial Assets				
-(i) Non Current Investment	5(A)	689.88	511.74	560.86
-(ii) Loans	5(B)	30.00	30.00	30.00
-(iii) Other financial assets	5(C)	352.09	444.79	685.91
Total Non Current Assets		15,455.14	9,056.69	8,548.77
CURRENT ASSETS :				
Inventories	6	19,580.18	17,463.33	20,357.97
Financial Assets				
-(i) Trade Receivables	7	13,855.97	11,921.52	12,003.18
-(ii) Cash And Bank Balances	8(A)	7,344.12	9,819.85	5,143.52
-(iii) Bank Balance other than above	8(B)	2,579.06	2,740.87	4,102.00
-(iv) Loans	9	45.59	27.62	31.97
-(v) Other Current Financial Assets	10	23.75	31.47	18.96
Other Current Assets	11	4,427.30	4,817.22	4,505.35
Total Current Assets		47,855.97	46,822.06	46,162.21
TOTAL :		63,311.11	55,878.75	54,710.98
EQUITY AND LIABILITIES				
EQUITY:				
Equity Share Capital	12	5,000.00	2,000.00	2,000.00
Other Equity	13	18,303.12	16,113.28	12,559.67
		23,303.12	18,113.28	14,559.67
Non Controlling Interest		-	(95.38)	26.50
NON CURRENT LIABILITIES :				
Financial Liabilities				
-(i) Borrowings	14	4,388.30	8,926.97	6,635.30
-(ii) Lease Liability	15	20.14	59.11	100.38
Deferred Tax Liability	16	436.16	498.22	552.77
		4,844.60	9,483.30	7,288.35
CURRENT LIABILITIES :				
Financial Liabilities				
-(i) Short Term Borrowings	17	16,095.82	5,947.80	3,319.07
-(ii) Lease Liabilities	18	44.27	80.92	60.39
-(iii) Trade Payables	19	9,531.37	13,411.58	20,176.00
-(iv) Other financial liabilities	20	1,244.95	1,047.61	814.87
Short Term Provisions	21	1,046.50	1,279.90	1,381.91
Other current liabilities	22	7,399.32	6,613.75	7,269.22
		35,365.19	28,381.56	32,835.46
TOTAL :		63,311.11	55,878.75	54,710.98

Significant Accounting Policies 1

The accompanying notes form an integral part of these financial statements 2 to 44

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 : June 06, 2024.

For and on behalf of Board of Directors

Chirag H. Patel
Chairman & Joint Managing Director
DIN: 00260602

Pankaj Naresh
Chief Executive Officer

Kayur B. Shah
Chief Financial Officer
Place : Ahmedabad
Date : June 06, 2024.

Malav G. Patel
Joint Managing Director
DIN: 00260[illegible]

Mayur S. Patel
Chief Executive Officer

Palak D. Parekh
Company Secretary

M & B ENGINEERING LTD

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2024

(INR in Lacs)

PARTICULARS		Note No.	2023-24	2022-23
A. INCOME :				
Revenue From Operations		23	79,506.59	88,046.98
Other Income		24	1,320.03	853.37
	TOTAL INCOME :		80,826.62	88,900.35
B. EXPENDITURE :				
Cost of Materials Consumed & Operational Expenses		25 (A)	57,716.94	65,633.78
Changes in inventories		25 (B)	(377.07)	1,368.92
Employee benefits expenses		26	8,093.92	7,327.42
Finance Cost		27	2,305.84	5,917.92
Depreciation & Amortization		2 & 3	887.90	1,030.12
Other expenses		28	6,113.12	7,071.13
	TOTAL EXPENSES :		74,737.65	84,344.29
Profit Before Tax & Exceptional Item :			6,088.37	4,556.06
Profit Before Tax : (PBT) :			6,088.37	4,556.06
LESS/(ADD) : TAX EXPENSES :				
Current Tax			1,576.54	1,313.65
Deferred Tax Liability / Asset			(51.58)	(54.55)
Total Tax Provision :			1,524.96	1,259.10
Profit (loss) for the period from continuing operations :			4,563.41	3,296.96
Other Comprehensive Income				
Items that will not be reclassified to profit or loss (net of tax)				
Remeasurements of the employee defined benefit plan			(82.50)	(27.78)
Income Tax effect on the above			(27.75)	(9.34)
Total of Other Comprehensive Income for the year			(110.25)	(37.12)
Total Comprehensive Income for the year			4,453.16	3,259.84
Less/(Add) Non Controlling Interest			(22.52)	(120.04)
Total Comprehensive Income for the year (After Non Controling Interest)			4,475.68	3,379.88
Profit for the year				
Attributable to:				
Owners of the Parent			4,585.93	3,417.00
Non-Controlling Interests			(22.52)	(120.04)
			4,563.41	3,296.96
Basic and Diluted (in INR)		29.00	9.13	6.59

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 : June 06,2024.

TALATI & TALATI LLP AHMEDABAD CHARTERED ACCOUNTANTS

For and on behalf of Board of Directors

Chirag H. Patel
Chairman & Joint Managing Director
DIN: 00200602

Malav G. Patel
Joint Managing Director
DIN: 00200514

Pankaj Naresh
Chief Executive Officer

Mayur S. Patel
Chief Executive Officer

Keyur B. Shah
Chief Financial Officer
Place : Ahmedabad
Date : June 06,2024.

Palak D. Parekh
Company Secretary

M & B ENGINEERING LTD. AHMEDABAD

M & B ENGINEERING LTD

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2024

PARTICULARS	INR in Lacs Year ended March 31st, 2024		INR in Lacs Year ended March 31st, 2023	
A. CASH FLOW FROM OPERATING ACTIVITIES :-				
Net profit before taxation and extraordinary items		6,088.37		4,556.06
Add/(Less): Exceptional Items		-		-
Add/(Less): Other Comprehensive Income		(110.25)		(37.12)
		5,978.12		4,518.94
AdQustments for :-				
Depreciation and Amortisation	887.90		1030.12	
[Gain] / Loss on Liquid Fund [net]	(447.94)		(135.85)	
Reversal on Sale of subsidiary	541.97			
Finance cost paid	2,296.36		1902.82	
Interest on Lease Liability	9.48		15.10	
Loss/(Profit) on Sale of Assets	(4.06)		(8.43)	
Profit on Sale of Investments	(17.75)		(0.78)	
Unrealised gain (loss)of fair value on equity instruments	(133.08)		55.14	
Dividened Income	(5.16)		(5.15)	
Exchange rate fluctuation and other related adjustments arising on consolidation	275.94		143.86	
Interest income on Security Deposits and EMD	(35.65)		(23.93)	
Interest income	(521.07)		(452.26)	
Total		2,845.94		2,520.66
Operating profit before working capital changes		8,825.06		7,039.60
AdQustments for :-				
[Increase] / Decrease in trade and other receivables	(1,286.64)		1382.73	
[Increase] / Decrease Inventories	(2,116.85)		2894.64	
Increase / [Decrease] in trade payables & other liabilities	(4,080.21)		(6761.42)	
Increase / [Decrease] in Other current liabilities	786.07		(669.47)	
Increase / [Decrease] in Other Financial liabilities	197.34		232.74	
Increase / [Decrease] in Short Term Provision	8.14		(9.57)	
Total		(6,492.15)		(2,930.36)
Cash generated from operations		2,332.91		4,109.24
Direct taxes paid [Net of refunds]	(1,812.73)		(1,211.98)	
Total		(1,812.73)		(1,211.98)
NET CASH FLOW FROM OPERATING ACTIVITIES (A)		520.18		2,897.26
CASH FLOW FROM INVESTING ACTIVITIES :-				
Purchase of fixed assets	(7,807.98)		(1,819.76)	
Purchase of Investment (Net)	(27.38)		0.76	
Proceeds from Liquid Fund [net]	447.94		135.85	
Sale of Fixed Assets	651.13		26.81	
Dividend Income	5.16		5.15	
Interest Received	521.07		452.26	
Loans and advances	(17.77)		4.15	
NET CASH FROM INVESTING ACTIVITES (B)		(6,227.76)		(1,194.78)
CASH FLOW FROM FINANCING ACTIVITIES :-				
Proceeds of Borrowings [net]	1,199.33		4,783.91	
Proceeds from Term Loan	4,410.00		132.59	
Repayment of Lease liability	(81.10)		(39.84)	
Finance cost paid	(2,296.36)		(1902.82)	
NET CASH USED IN FINANCING ACTIVITIES (C)		3,231.87		2973.84
Net Increase / (decrease) in cash and cash equivalents (A+B+C)		(2475.71)		4676.31
Cash and cash equivalents at the beginning of the year		9819.83		5143.52
Cash and cash equivalents at the close of the year :		7344.12		9819.83

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 : June 06,2024.

For and on behalf of Board of Directors

Chirag H. Patel
Chairman & Joint Managing Director
DIN-00260602

Pankaj Naresh
Chief Executive Officer

Keyur B. Shah
Chief Financial Officer
Place : Ahmedabad
Date : June 06,2024.

Malav G. Patel
Joint Managing Director
DIN:

Mayur S. Patel
Chief Executive Officer

Palak D. Parekh
Company Secretary

AHMEDABAD
M & B ENGINEERING LTD.

M & B ENGINEERING LTD

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(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-22	2,00,00,000	2,000.00
Add: Equity shares issued during the year		
As At 31-Mar-23	2,00,00,000	2,000.00
Add: Equity shares issued during the year	3,00,00,000	3,000.00
As At 31-Mar-24	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 2022	(30.88)	240.50	12,349.05	12,558.67
Movement during the year	173.93			173.93
Profit for the year		-	3,417.00	3,417.00
Other Comprehensive Income for the year		-	(37.12)	(37.12)
Balance as at 31st March 2023	143.05	240.50	15,728.93	16,112.48
Movement during the year	153.04			152.23
Profit for the year		-	4,585.93	4,585.93
Other Comprehensive Income for the year		-	(110.25)	(110.25)
Amount available for appropriation		240.50	20,204.60	
Less : Appropriations :				
Bonus Issued during the year			(3,000.00)	(3,000.00)
Less: Reversal on Sale of Subsidiary	20.15		541.97	562.12
Balance as at 31st March 2024	316.24	240.50	17,746.57	18,303.31

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

UDIN :

Place : Ahmedabad
Date : June 06,2024.

For and on behalf of Board of Directors

Chirag H. Patel
Chairman & Joint Managing Director
DIN: 00250802

Malav G. Patel
Joint Managing Director
DIN: 00260537

Pankaj Naresh
Chief Executive Officer

Mayur S. Patel
Chief Executive Officer

Kayur B. Shah
Chief Financial Officer
Place : Ahmedabad
Date : June 06,2024.

Palak D. Parikh
Company Secretary

TALATI & TALATI LLP AHMEDABAD CHARTERED ACCOUNTANTS

M & B ENGINEERING LTD. AHMEDABAD

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.

TALATI & TALATI LLP AHMEDABAD CHARTERED ACCOUNTANTS

M & B ENGINEERING LTD. AHMEDABAD

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 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 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 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.

AHMEDABAD

M & B ENGINEERING LTD. AHMEDABAD

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.

TALATI & TALATI LLP AHMEDABAD CHARTERED ACCOUNTANTS

M & B ENGINEERING LTD. AHMEDABAD

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 %.

TALATI & TALATI LLP CHARTERED ACCOUNTANTS AHMEDABAD

M & B ENGINEERING LTD. AHMEDABAD

(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

Raw 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.

TALATI & TALATI LLP AHMEDABAD CHARTERED ACCOUNTANTS

M & B ENGINEERING LTD. AHMEDABAD

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.

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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.

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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 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 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.

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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 company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE - 2 - PROPERTY, PLANT & EQUIPMENTS

(INR in Lacs)

Asset Description	GROSS BLOCK				DEPRECIATION BLOCK				NET BLOCK AS AT	
	Balance as on 1st April 2023	Additions during the year	Deductions/ Adjustments	Balance as on 31st March 2024	Balance as on 1st April 2023	Depreciation for the year	Deductions/ Adjustments	Balance as on 31st March 2024	31st March 2024	31st March 2023
A. PROPERTY PLANT & EQUIPMENT										
LAND	342.81	42.38	28.73	357.64	-	-	-	-	357.64	342.81
LEASEHOLD LAND	1,106.01	-		1,199.53	-	-	-	-	1,136.53	1,106.91
FACTORY BUILDING	4,150.38	-	506.42	3,644.16	1,170.27	118.90	216.78	1,480.39	2,164.77	2,972.11
PLANT & EQUIPMENT	9,205.30	895.38	149.86	9,510.82	6,679.05	382.98	129.67	7,110.66	2,399.16	2,586.25
ELECTRICAL INSTALLATION	411.98	174.78	29.62	410.04	352.08	17.75	10.37	393.47	216.57	62.79
FURNITURE & FIXTURES	387.19	1.78	82.44	306.47	290.31	12.43	62.46	240.48	60.01	90.64
COMPUTER	528.86	47.74	80.65	495.93	476.38	26.88	69.46	433.73	62.21	52.58
OFFICE EQUIPMENTS	280.34	74.60	34.44	320.50	221.93	40.00	31.15	230.87	89.92	58.52
VEHICLES	1,318.81	522.11	245.67	1,595.26	778.57	111.32	215.89	674.00	921.26	540.04
MOTOR BUSES	209.59	-	-	209.89	79.85	25.45	-	105.30	108.79	129.24
TOTAL PROPERTY, PLANT & EQUIPMENTS	18,135.11	1,260.43	1,147.83	18,247.71	10,751.16	754.01	741.78	10,694.47	7,553.24	7,452.95
B. CAPITAL WIP										
CAPITAL WORK IN PROGRESS	185.61	4,644.62	108.10	4,120.13	-	-	-	-	4,120.13	183.61
PRE-OPERATIVE EXPS TO BE CAPITALISED	2.09	2,500.41	-	2,502.50	-	-	-	-	2,502.50	2.09
TOTAL CAPITAL WIP	185.70	6,145.03	108.10	6,622.63	-	-	-	-	6,622.63	185.70
C. INTANGIBLE ASSETS										
COMPUTER SOFTWARES	873.19	1.71		873.10	798.30	80.19	-	878.49	54.61	173.09
GOODWILL	88.84	0.81	88.84	0.81					0.81	88.84
TECHNICAL KNOW HOW	324.40		155.87	168.53	264.41	7.43	111.79	150.25	18.28	59.79
TOTAL INTANGIBLE ASSETS	1,284.63	2.52	244.71	1,042.44	1,062.51	87.62	111.79	1,028.74	113.70	231.72
TOTAL ASSETS	19,718.44	7,407.98	1,510.64	25,857.73	11,765.63	821.73	853.57	11,723.21	14,205.57	7,850.87
PREVIOUS YEAR 2022-23	17,992.28	3,610.78	96.51	19,710.66	10,879.65	563.62	78.51	11,765.07	7,910.37	7,112.61
PREVIOUS YEAR 2021-22	17,255.34	1,054.08	316.83	17,992.59	9,833.45	1,003.04	55.84	10,879.58	7,112.61	7,361.06

2.1 : No Immovable Property is held by the Company Jointly with others as on the Balance Sheet date.

2.2 : CWIP and Intangible Assets ageing schedule

CWIP	Amount in CWIP & Intangible Assets for a period of					Amount in CWIP & Intangible Assets for a period of				
	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	More than 3 Years	Total 31-03-2023
CWIP	6,545.63	5.02	22.41	50.17	6,622.63	5.02	22.40	148.77	17.21	185.70
Total	6,545.63	5.02	22.41	50.17	6,622.63	5.02	22.40	148.77	-	185.70

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 66.49 Lacs for FY 2023-24 and 66.49 Lacs for FY 2022-23 of Amortization of ROU Assets.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 3 - RIGHT OF USE ASSET (INR in Lacs)

Particulars	Total
Gross Carrying amount	
Balance as at 1st April, 2022	**153.38**
Additions	32.90
Disposals	-
Reclassification as held for sale	-
Balance as at 31st March, 2023	**186.28**
Additions	-
Disposals	
Reclassification as held for sale	
Balance as at 31st March, 2024	**186.28**
Accumulated Amortization	
Balance as at 1st April, 2022	-
Additions	66.49
Disposals	-
Reclassification as held for sale	-
Balance as at 31st March, 2023	**66.49**
Additions	66.19
Disposals	-
Reclassification as held for sale	-
Balance as at 31st March, 2024	**132.68**
Net carrying amount	
Balance as at 1st April, 2022	**153.38**
Balance as at 31st March, 2023	**119.79**
Balance as at 31st March, 2024	**53.60**

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(INR in Lacs)

NOTE - 4 : INVESTMENTS IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE :	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Trade Investments [Valued at Cost]:			
Un Quoted:			
Investments in Equity Instruments:			
Wholly Owned Subsidiary Companies:			
Phenix Construction Technologies Inc.	-	-	-
2500 [As at 31.03.2023: 2500] Equity Shares of USD 10/- each			
Phenix Building Solutions Pvt. Ltd.	-		
50000 [As at 31.03.2023: 0] Equity Shares of Rs. 10/- each			
Partly Owned Subsidiary Companies:			
Modbech Machinery Pvt. Ltd.		-	-
155,958 [As at 31.03.2023: 155,958] Equity Shares of Rs 10/- each			
TOTAL :	-	-	-
4.1 Disclosure of Aggregate and Market Value of Investments:			
Aggregate amount of unquoted investments			

(INR in Lacs)

NOTE - 5A : NON - CURRENT INVESTMENT :	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Investments in Equity Instruments			
Quoted			
At Fair value through Profit and Loss account			
SBI Card and Payment Services Limited		90.50	104.22
NIL [As at 31.03.2023: 12,297] Equity Share of Face Value of Rs 10/- each	-		
Bajaj Finserv Limited		126.61	170.60
NIL [As at 31.03.2023: 1,000] Equity Share of Face Value of Rs 5/- each	-		
ICICI Bank Limited	303.35	163.17	135.84
16600 [As at 31.03.2023: 18,600] Equity Share of Face Value of Rs 2/- each			
Reliance Industries Limited	10.97	8.00	9.72
369 right shares fully paid up [As at 31.03.2023: 369] Equity Share of Face Value of Rs 10/- each			
TATA STEEL LIMITED	56.65	64.79	81.05
6,200 [As at 31.03.2023: 6,200] Equity Shares of Face Value of Rs 1 /- each			
TITAN COMPANY LIMITED	15.77	13.08	13.19
520 [As at 31.03.2023: 520] Equity Shares of Face Value of Rs 1 /- each			
TATA CONSULTANCY SERVICES LIMITED	11.63	9.62	11.22
300 [As at 31.03.2023: 300] Equity Shares of Face Value of Rs 1 /- each			
ADANI PORTS AND SPECIAL ECONOMIC ZONE LIMITED	26.84	12.60	15.48
2000 [As at 31.03.2023: 2000] Equity Shares of Face Value of Rs 2/- each			
INFOSYS LIMITED	11.98	11.42	15.25
800 [As at 31.03.2023: 800] Equity Shares of Face Value of Rs 5 /- each			
HDFC BANK LIMITED	10.14	11.37	10.29
700 [As at 31.03.2023: 700] Equity Shares of Face Value of Rs 1 /- each			
SAMVARDHANA SHARES	117.10	-	-
1,00,000 [As at 31.03.2023: NIL] Equity Share of Face Value of Rs 1 /- each			
JIO FINANCIAL SERV	1.31	-	-
366 [As at 31.03.2023: NIL] Equity Share of Face Value of Rs 10 /- each			
BHARAT BIJLEE LTD.	67.37	-	-
1,050 [As at 31.03.2023: NIL] Equity Share of Face Value of Rs 10/- each			
CYIENT LTD SHARES	53.00	-	-
2,700 [As at 31.03.2023: NIL] Equity Share of Face Value of Rs 5/- each			
INGERSOLL RAND INDIA	58.89	-	-
1,600 [As at 31.03.2023: NIL] Equity Share of Face Value of Rs 10 /- each			
	689.83	511.74	566.86

(INR in Lacs)

5A.1 Disclosure of Aggregate and Market Value of Investments:			
Aggregate amount of quoted Investments	689.83	511.74	566.86
Aggregate and Market Value of Investments	689.83	511.74	566.86

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(INR in Lacs)

NOTE - 5(B) : LOANS :	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Inter Corporate Deposit	30.00	30.00	30.00
	30.00	30.00	30.00

(INR in Lacs)

NOTE - 5(C) : OTHER FINANCIAL ASSETS :	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Trade and Security Deposits	352.09	444.79	685.92
	352.09	444.79	685.92

(INR in Lacs)

NOTE - 6 : INVENTORIES :	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Materials & Bought Outs	10,756.62	14,127.92	16,192.67
Work in Process	368.77	1,019.57	1,223.95
Finished Goods	1,937.05	969.88	1,141.72
Stock in Trade	5,345.65	118.92	930.62
Stores & Packing Materials	1,167.09	1,203.04	869.01
	19,580.18	17,463.33	20,357.97

Notes :

1 Material Purchase, Semifinished Stock, Finished Stock and Stock in Trade is valued at lower of cost (weighted average basis) or net realisable 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

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(INR in Lacs)

NOTE - 07 : TRADE RECEIVABLES :	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Overdue for Six Months	4,427.13	1,758.68	1,273.19
Other	9,468.84	10,162.84	10,736.00
TOTAL :	13,895.97	11,921.52	12,009.19

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
Undisputed trade receivables – considered good	9,468.84	1,824.29	1,525.03	291.17	224.25	13,333.58
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	562.39	562.39
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-
	9,468.84	1,824.29	1,525.03	291.17	786.64	13,895.97
Less: Allowance for doubtful trade receivables - Billed	-	-	-	-	-	-
TOTAL :	9,468.84	1,824.29	1,525.03	291.17	786.64	13,895.97

As on 31st March 2023

Particulars	Less than 6 months	6 months - 1 year	1 years - 2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables – considered good	10,162.84	936.39	255.87	33.76	315.12	11,703.98
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	217.54	217.54
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-
	10,162.84	936.39	255.87	33.76	532.66	11,921.52
Less: Allowance for doubtful trade receivables - Billed	-	-	-	-	-	-
TOTAL :	10,162.84	936.39	255.87	33.76	532.66	11,921.52

As on 31st March 2022

	Less than 6 months	6 months - 1 year	1 years - 2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables – considered good	10,727.67	507.14	282.67	81.47	59.25	11,734.40
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	-	-	-
Disputed trade receivables – considered good	8.33	4.11	7.71	-	254.64	274.79
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-
	10,736.00	511.25	290.38	81.47	313.89	12,009.19
Less: Allowance for doubtful trade receivables - Billed	-	-	-	-	-	-
TOTAL :	10,736.00	511.25	290.38	81.47	313.89	12,009.19

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(INR in Lacs)

NOTE - 08 (A) : CASH AND BANK BALANCES :	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Cash and Cash Equivalents			
In Current Accounts	2,731.64	2,598.99	709.50
Cash on hand	14.94	19.78	27.66
Balances with Banks in Fixed Deposits	4,492.54	7,201.06	4,406.36
In Liquid Funds	105.00	-	-
	7,344.12	9,819.83	5,143.52

(INR in Lacs)

NOTE - 08 (B) : BANK BALANCE OTHER THAN ABOVE :	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Margin Money Deposits	2,579.06	2,740.67	4,102.00
	2,579.06	2,740.67	4,102.00

(INR in Lacs)

NOTE - 09 : LOANS:	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Loans and Advances to Employees	45.59	27.82	31.97
	45.59	27.82	31.97

(INR in Lacs)

NOTE - 10 : OTHER CURRENT FINANCIAL ASSETS :	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Interest Receivable	23.75	31.47	18.36
	23.75	31.47	18.36

(INR in Lacs)

NOTE - 11 : CURRENT FINANCIAL ASSETS - LOANS :	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Unsecured, Considered good			
Others:			
Advances to Suppliers	1,414.25	880.91	641.50
Balance with Government Authorities	2,484.92	3,429.21	3,509.07
Advances to Employees	61.95	150.16	133.97
Prepaid Expenses	421.01	356.83	217.90
Others	0.21	-	2.76
Unamortised share issue expenses (See note No. XX)	45.56		
	4,427.90	4,817.32	4,505.20

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE : 12 : SHARE CAPITAL :	As at 31st March 2024		As at 31st March 2023		As at 1st April 2022	
	No. of Shares	(INR in Lacs)	No. of Shares	(INR in Lacs)	No. of Shares	(INR in Lacs)
Authorised Share Capital :						
Equity Shares of Rs. 10/- each	7,50,00,000	7,500.00	3,00,00,000	3,000.00	3,00,00,000	3,000.00
Total :	7,50,00,000	7,500.00	3,00,00,000	3,000.00	3,00,00,000	3,000.00
Issued, Subscribed & Fully Paid - up Capital :						
Equity Shares of Rs. 10/- each Par Value of Share (Rs. 10/- each)	5,00,00,000	5,000.00	2,00,00,000	2,000.00	2,00,00,000	2,000.00
Total :	5,00,00,000	5,000.00	2,00,00,000	2,000.00	2,00,00,000	2,000.00

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

Equity Shares	As at 31st March 2024		As at 31st March 2023		As at 1st April 2022	
	No. of Shares	(INR in Lacs)	No. of Shares	(INR in Lacs)	No. of Shares	(INR in Lacs)
At the beginning of the year	2,00,00,000	2,000.00	2,00,00,000	2,000.00	2,00,00,000	2,000.00
Add : Issued during the year (Refer Note 1.5(c))	3,00,00,000	3,000.00	-	-	-	-
Outstanding at the end of the year	5,00,00,000	5,000.00	2,00,00,000	2,000.00	2,00,00,000	2,000.00

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 shares.

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 holding.

1.3 : Shareholders holding more than 5 % Equity holding :	As at 31st March 2024		As at 31st March 2023		As at 1st April 2022	
Name of the Shareholder :	No. of Shares	% of holding	No. of Shares	% of holding	No. of Shares	% of holding
Chiragbhai H. Patel	1,75,00,000	35.00%	42,00,000	21.00%	42,00,000	21.00%
Late Hasmukhbhai S. Patel	-	0.00%	28,00,000	14.00%	28,00,000	14.00%
Maulikbhai G. Patel	70,00,000	14.00%	28,00,000	14.00%	28,00,000	14.00%
Girishbhai M. Patel	1,35,00,000	27.00%	54,00,000	27.00%	54,00,000	27.00%
Binaben C. Patel	50,00,000	10.00%	20,00,000	10.00%	20,00,000	10.00%
Vipinbhai K. Patel	25,00,000	5.00%	10,00,000	5.00%	10,00,000	5.00%

1.4 Disclosure of Shareholding of Promoters

Disclosure of shareholding of promoters as at March 31, 2024 is as follows:

Shares held by promoters					
Promoter's Name	As at 31st March 2024		As at 31st March 2023		% change during the year
	No of Shares	% of total shares	No of Shares	% of total shares	
Chiragbhai H. Patel	1,75,00,000	35.00%	42,00,000	21.00%	14.00%
Late Hasmukhbhai S. Patel	-	0.00%	28,00,000	14.00%	-14.00%
Maulikbhai G. Patel	70,00,000	14.00%	28,00,000	14.00%	0.00%
Girishbhai M. Patel	1,35,00,000	27.00%	54,00,000	27.00%	0.00%
Binaben C. Patel	50,00,000	10.00%	20,00,000	10.00%	0.00%
Vipinbhai K. Patel	25,00,000	5.00%	10,00,000	5.00%	0.00%
Hemalben V Patel	10,00,000	2.00%	4,00,000	2.00%	0.00%
Aditya V Patel	15,00,000	3.00%	6,00,000	3.00%	0.00%
Nirmalaben G Patel	20,00,000	4.00%	8,00,000	4.00%	0.00%
	5,00,00,000	100%	2,00,00,000	100.00%	

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Disclosure of shareholding of promoters as at March 31, 2024 is as follows:

Shares held by promoters					
Promoter's Name	As at 31st March 2024		As at 31st March, 2023		% change during the year
	No of Shares	% of total shares	No of Shares	% of total shares	
Chiragbhai R. Patel	42,00,000	21.00%	42,00,000	21.00%	0.00%
Hasmukhbhai S. Patel	28,00,000	14.00%	28,00,000	14.00%	0.00%
Malavbhai G. Patel	28,00,000	14.00%	28,00,000	14.00%	0.00%
Girishbhai M. Patel	54,00,000	27.00%	54,00,000	27.00%	0.00%
Bhavuben C. Patel	20,00,000	10.00%	20,00,000	10.00%	0.00%
Vipinbhai K. Patel	10,00,000	5.00%	10,00,000	5.00%	0.00%
Sonalben V Patel	4,00,000	2.00%	4,00,000	2.00%	0.00%
Aditya V Patel	6,00,000	3.00%	6,00,000	3.00%	0.00%
Urmilaben G Patel	8,00,000	4.00%	8,00,000	4.00%	0.00%
	2,00,00,000	100%	2,00,00,000	100%	

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	2022-23
(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.	1,80,00,000	-

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

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(INR in Lacs)

NOTE - 13 : Other Equity:		
Particulars	As at 31st March 2024	As at 31st March 2023
Capital Reserve		
Opening Balance	-	-
Movement during the Year		
Closing Balance (A)	-	-
Foreign Currency Translation Reserve :		
Opening Balance	143.86	(29.88)
Movement during the Year	152.23	173.73
Less: Reversal on Sale of Subsidiary	20.15	
Closing Balance (B)	316.24	143.85
General Reserve :		
Opening Balance	240.50	240.50
Movement during the Year		
Closing Balance (C)	240.50	240.50
Retained Earnings:		
Opening Balance	15,728.93	12,349.05
Add : Profit for the year	4,585.93	3,417.00
Add: Comprehensive Income for the year	(110.25)	(37.12)
Amount available for appropriation	20,204.61	15,728.93
Less : Appropriations :		
Bonus Issued during the year	(3,000.00)	
Less: Reversal on Sale of Subsidiary	541.97	
	(2,458.03)	-
Closing Balance (D)	17,746.58	15,728.93
TOTAL (A+B+C+D)	18,303.32	16,113.28

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(INR in Lacs)

NOTE - 14 : LONG TERM BORROWINGS :

Particulars	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Secured			
Vehicle loans - from Banks	441.87	264.46	261.69
Loan From Banks	4,000.00	-	-
Less:			
Amount disclosed under the head "Short Term Borrowings" (Refer Note 19)	(162.56)	(149.72)	(148.81)
Unsecured			
Loans from Related parties	108.97	8,812.23	6,522.32
	4,388.28	8,926.97	6,635.20

1) Nature of Security

Vehicle Loans from banks and other parties are secured by hypothecation of the vehicle.

(INR in Lacs)

NOTE - 15 : NON CURRENT LEASE LIABILITIES

Particulars	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Lease Liabilities	64.41	136.03	160.77
Less : Current Portion	(44.27)	(80.92)	(60.39)
TOTAL :	20.14	55.11	100.38

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-22) - Accounting for Taxes on Income.

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

(INR in Lacs)

Particulars	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Deferred Tax			
Opening Balance	498.22	552.77	714.22
Add: Existing DTL of subsidiary acquired during the year	0.83		
Deferred tax asset on the following items			
Provision for Gratuity			
On Account of Depreciation	(37.74)	(48.82)	(172.65)
Lease Liability			
Deferred tax asset/liability on the following Items			
Tax on fair value changes in equity instruments through Profit And Loss	(13.84)	(5.73)	11.20
Less: Reversal on Sale of Subsidiary	(11.29)		
	436.18	498.22	552.77

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(INR. in Lacs)

NOTE - 17 : SHORT TERM BORROWINGS :			
Particulars	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Secured			
Working Capital loan from Banks	5,691.97	1,876.34	712.93
Buyer's Credit	10,241.29	3,792.62	2,412.24
Current Maturities of long term debts	162.56	149.72	148.81
Unsecured			
Loan from Related Parties	-	129.12	48.09
TOTAL :	16,095.82	5,947.80	3,323.07

Default in terms of repayment of principal and interest - NIL

(INR. in Lacs)

NOTE - 18 : CURRENT LEASE LIABILITIES			
Particulars	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Lease Liabilities	44.27	80.92	60.39
TOTAL :	44.27	80.92	60.39

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(INR in Lacs)

NOTE - 19 : TRADE PAYABLES :	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Micro, Small and Medium Enterprises	261.24	1,309.23	529.10
Others	9,070.13	12,102.35	19,643.90
TOTAL :	9,331.37	13,411.58	20,173.00

(INR in Lacs)

Micro, Small and Medium Enterprises:	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
(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	261.24	1,309.23	529.10
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 Enterprises on the basis of information available with the Company.

19.1 Ageing for trade payables outstanding is as follows:

As on 31st March 2024 (INR in Lacs)

Particulars	Not Due	Less than 1 years	1-2 years	2-3 years	More than 3 years	Total
Trade payables						
MSME*		252.24				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

As on 31st March 2023 (INR in Lacs)

Particulars	Not Due	Less than 1 years	1-2 years	2-3 years	More than 3 years	Total
Trade payables						
MSME*		1,309.23	-	-	-	1,309.23
Others		12,087.53	2.72	4.24	7.86	12,102.35
Disputed dues - MSME*		-	-	-	-	-
Disputed dues - Others		-	-	-	-	-
		13,396.76	2.72	4.24	7.86	13,411.58

As on 31st March 2022 (INR in Lacs)

Particulars	Not Due	Less than 1 years	1-2 years	2-3 years	More than 3 years	Total
Trade payables						
MSME*		529.10	-	-	-	529.10
Others		19,637.54	3.76	0.84	1.76	19,643.90
Disputed dues - MSME*		-	-	-	-	-
Disputed dues - Others		-	-	-	-	-
		20,166.64	3.76	0.84	1.76	20,173.00

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(INR in Lacs)

NOTE - 20 : OTHER FINANCIAL LIABILITIES :			
Particulars	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Other Payables	1,244.95	1,047.61	814.87
TOTAL :	1,244.95	1,047.61	814.87

(INR in Lacs)

NOTE - 21 : SHORT TERM PROVISIONS :			
Particulars	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Provision for Employee Benefits			
Provision for Employee Benefits	1,032.54	1,024.40	1,033.97
Others			
Provision for Taxation (Net)	14.42	255.50	147.94
TOTAL :	1,046.96	1,279.90	1,181.91

(INR in Lacs)

NOTE - 22 : OTHER CURRENT LIABILITIES :			
Particulars	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Other payables			
Statutory Payables	320.25	234.22	329.03
Advance from customers	7,079.57	6,379.53	6,912.47
Other Liabilities	-	-	41.72
TOTAL :	7,399.82	6,613.75	7,283.22

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(INR in Lacs)

NOTE - 23 : REVENUE FROM OPERATIONS :	2023-24	2022-23
Sale of Products (Net of Returns)		
Domestic Sales	71,802.14	78,350.73
Export Sales	1,586.23	4,215.54
Sale of Services	6,117.62	5,480.71
TOTAL :	79,505.99	88,046.98

(INR in Lacs)

NOTE - 24 : OTHER INCOME :	2023-24	2022-23
Interest Income	521.07	452.26
Loss/Gain on Liquid Fund	447.94	135.85
Profit on Sale of Investment	17.75	0.78
Unrealised gain of fair value on equity instruments	133.08	-
Profit on Sale of Assets	4.06	8.43
Bad Debt Written Back	12.19	132.64
Export Incentives	26.52	57.43
Exchange Fluctuation (Net)	64.29	
Other Non-operating Income :		
Interest on Security Deposit	1.75	1.60
Interest on EMD Deposit	33.90	22.31
Miscellaneous Income	57.48	42.07
TOTAL :	1,320.03	853.37

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(INR in Lacs)

NOTE - 25 :	2023-24	2022-23
(A) Cost of Material Consumed and Operational Expenses		
-(i) Cost of Material Consumed	51,455.51	59,359.16
-(ii) Stores & Spares Consumed	465.47	494.81
-(iii) Operational Expenses (Refer Note No : 31)	5,795.96	5,779.81
Total (A)	57,716.94	65,633.78
(B) Changes in inventories of finished goods, work in progress and stock in trade :		
Stock at the end of the year		
Work in Process	631.79	1,043.57
Stock in Trade	290.58	113.55
Finished Goods	1,646.47	975.25
	2,568.84	2,132.37
Stock at the beginning of the year		
Work in Process	1,102.97	1,223.95
Stock in Trade	113.55	930.62
Finished Goods	975.25	1,141.72
	2,191.77	3,296.29
Total (B)	(377.07)	1,163.92

(INR in Lacs)

NOTE - 26 : EMPLOYEE BENEFIT EXPENSE :	2023-24	2022-23
Salaries and Wages	7,278.91	6,842.91
Contribution to Provident and other Funds	396.03	284.21
Staff welfare	415.98	400.30
TOTAL :	8,090.92	7,527.42

(INR in Lacs)

NOTE - 27 : FINANCE COST :	2023-24	2022-23
Interest Expense	1,834.07	1,526.37
Bank Charges	462.29	376.45
Interest on lease liability	9.48	15.10
TOTAL :	2,305.84	1,917.92

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(INR in Lacs)

NOTE - 28 : OTHER EXPENSES :	2023-24	2022-23
Power & Fuel	291.38	266.36
Rent	106.45	79.96
Repairs To :		-
(i) Machinery	228.21	231.97
(ii) Building	9.35	137.38
(iii) Others	26.84	13.22
Unrealised loss of fair value on equity instruments		55.14
Insurance	104.10	99.71
Rates & Taxes	20.24	55.59
Auditor's Remuneration (Refer Note No: 30)	28.76	22.51
Postage, Telegram and Telephone	39.15	57.27
Stationery, Printing Expenses	83.38	69.89
Factory Expenses	110.19	70.87
Conveyance and Vehicle Expenses	459.14	403.11
Legal & Consultancy	360.24	414.44
Staff Recruitment & Staff Training Expenses	26.99	25.19
Travelling Expenses	306.48	404.62
Electric Expense	24.25	21.60
Exchange Fluctuation (Net)	-	160.49
Bad Debt written off	557.27	192.70
Sundry Balance written off	6.80	13.01
Advertisement & Publicity Expenses	22.45	28.05
Packing Expenses	44.18	39.73
Sales Commission	52.12	70.73
Transportation Outward Expenses	1,458.86	1,566.48
Export Expenses	125.39	1,193.90
Miscellaneous Expenses	310.95	192.20
Manpower Supply	1,089.71	1,000.34
Security Expenses	62.71	42.69
Corporate Social Responsibility (Refer Note 39)	65.32	41.32
Donation	0.80	0.78
Exhibition Expenses	16.13	22.35
Sales Promotion Expenses	10.09	40.51
Conference Expenses	65.19	37.02
TOTAL :	6,113.12	7,071.13

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NOTE - 29 : EARNING PER SHARE :	2023-24	2022-23
(a) Profit attributable to shareholders as per statement of Profit and Loss	4,563.41	3,296.96
(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	9.13	6.59
Diluted	9.13	6.59
(d) Face Value per Equity share (INR)	10.00	10.00

If the number of ordinary or potential ordinary shares outstanding increases as a result of a capitalisation, bonus issue or share split, or decreases as a result of a reverse share split, the calculation of basic and diluted earnings per share for all periods presented shall be adjusted retrospectively. M & B Engineering Ltd. issued 3,00,00,000 bonus shares in F.Y. 23-24 and hence Weighted Average No. of Equity Shares have been taken as 50000000 (2.00.00.000+3.00.00.000) in F.Y. 22-23 and F.Y. 21-22.

(INR in Lacs)

NOTE - 30 : AUDITOR'S REMUNERATION :	2023-24	2022-23
As Audit Fees	26.69	21.00
For Tax Audit Fees & Other Taxation Fee	0.30	0.70
For Certification Fees	1.77	0.81
TOTAL	28.76	22.51

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(INR in Lacs)

Note 31 : Operational Expenses :	2023-24	2022-23
Crane Hire Charges	250.12	339.44
Entry Tax & Toll Tax	58.43	68.20
Labour Charges	76.13	56.52
Erection Charges	4,315.13	4,153.88
Site Exp Diesel	297.70	361.84
Site Exp Lodging & Boarding	342.80	363.79
Site Exp Stationary	7.79	7.04
Site Exp-Conveyance	274.02	255.74
Site Exp-Maintainance	39.41	35.38
Site Exp-Others	134.36	137.86
Site Exp-Telephone	0.07	0.12
TOTAL:	5,795.96	5,779.81

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note - 32 : RELATED PARTY DISCLOSURES UNDER IND AS-24 :

Related Parties	Nature of Relationship
Phenix Building Solutions Private Limited	Significant Influence (Upto 29th February 2024)
M B Enterprise	Significant Influence
Phenix Building Services	Significant Influence
Manibhai Brothers	Significant Influence
Manibhai Brothers Sleepers	Significant Influence
Manibhai and Brothers PCC Sarkhej (Previously known as M & B Urban Estate)	Significant Influence
Maxim Finance Private Limited	Significant Influence
Manibhai Brothers Finance Corporation	Significant Influence
Usha Prestressed Sleeper Udhyog Piplod	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
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	Relatives of Key Management Personnel
Aditya V. Patel	Relatives of Key Management Personnel
Hasmukhbhai S. Patel	Relatives of Key Management Personnel

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Note - 32 : RELATED PARTY DISCLOSURES UNDER IND AS-24 : Continued

Disclosure of Transactions between Company and Related Parties

Nature of Transaction	2023-24			2022-23		
	Significant Influence	Key Managerial Personnel	Relative of Key Managerial Personnel	Significant Influence	Key Managerial Personnel	Relative of Key Managerial Personnel
Sale of goods	16,465.09	-	-	28,759.58	-	-
Unsecured Loan Given	-	-	-	-	-	-
Interest on Loan received	-	-	-	-	-	-
Unsecured Loan Outstanding	-	-	-	7,027.88	1,440.21	344.15
Outstanding Receivables	351.16	-	-	5,491.63	-	-
Expenses Paid	200.75	-	-	131.03	-	-
Expenses Recovered	10.74	-	-	10.89	-	-
Interest on Loan Paid	776.93	142.68	2.83	632.00	132.69	31.57
Purchase of goods	1,359.45	-	-	9,784.38	-	-
Rent Paid	57.57	-	-	50.40	11.00	-
Donation made	-	-	-	36.00	-	-
Unsecured Loan Taken	12,285.02	142.68	2.83	9,819.00	131.87	-
Unsecured Loan Repaid	20,089.82	1,582.90	346.97	8,244.00	16.68	3.16
Outstanding Payables	90.00	-	-	573.68	-	-
Directors' Remuneration	-	631.25	-	-	577.97	-
Salary paid	-	-	164.82	-	-	131.27

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

Particulars	2023-24		2022-23	
	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	-	-	-	-

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(INR in Lacs)

NOTE - 33 : MATERIAL CONSUMED	2023-24	2022-23	2021 - 22
HR Coils	61.93	216.94	283.13
HR Plates	18,807.27	18,774.97	15,447.98
Sheeting	18,255.07	27,613.18	22,055.39
Other Steel	7,517.99	4,462.39	3,035.34
Other material	6,813.25	8,291.68	6,108.59
TOTAL	51,455.51	59,359.16	46,930.43

(INR in Lacs)

NOTE - 34 : CONTINGENT LIABILITY	2023-24	2022-23	2021 - 22
Outstanding Bank Guarantee	11,238.24	8,201.69	4,526.49
TOTAL	11,238.24	8,201.69	4,526.49

(INR in Lacs)

NOTE - 35 : VALUE OF IMPORTS ON C.I.F. BASIS DURING THE YEAR	2023-24	2022-23	2021 - 22
(i) Materials Purchased	17171.84	10,788.64	6,197.88
(ii) Components – spare parts	27.02	65.61	484.98
(iii) Capital Goods	366.09	183.10	40.07
TOTAL	17,564.95	11,037.35	6,722.93

(INR in Lacs)

NOTE - 36 : EARNING IN FOREIGN EXCHANGE ON ACCOUNT OF :	2023-24	2022-23	2021 - 22
i) Earning in foreign exchange :	1621.82	4,772.76	8,484.76
TOTAL	1,621.82	4,772.76	8,484.76

(INR in Lacs)

NOTE - 37 : EXPENDITURE IN FOREIGN CURRENCY ON ACCOUNT OF :	2023-24	2022-23	2021 - 22
ii) Expenditure in foreign currency :			
– Foreign Travelling	53.20	47.59	59.41
– Interest	466.97	213.99	81.79
– Others	47.26	102.72	25.97
TOTAL	567.43	364.30	167.17

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Note 38: 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 Company 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.	Name of Struck off company	Nature of transactions with struck off companies	Relationship with the struck off company, if any.	Balance outstanding as on 31/03/2024	Balance outstanding as on 31/03/2023	Purchase/ (Sales)	(Payment)/ Receipt
1	Indra Infra Steels Pvt Ltd	Contractor	Only business relationship	0.03 credit	0.03 credit	NIL	NIL
2	Cinven Engineering Pvt Ltd	Contractor	Only business relationship	1.27 credit	1.41 credit	NIL	0.14

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 2024.

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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 company (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 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 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

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39. 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. 65.32 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. 64,65,588
B. Amount of expenditure incurred : Rs. 65,32,000
C. Shortfall at the end of the year : Nil
D. Total of previous years' shortfall : Nil
E. Reason for shortfall : N.A.
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

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40. First-time adoption of Ind AS

These Consolidated financial statements, for the year ended March 31, 2024, are the first Consolidated financial statement the Company has prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2023, the Company prepared its Consolidated financial statements in accordance with the accounting standards notified under Section 133 of the Companies Act, 2013 read together with the Companies (Accounting Standards) Rules 2021 and presentation requirements of Division I of Schedule III to the Companies Act, 2013 ('Previous GAAP/Indian GAAP').

Accordingly, the Company has prepared Consolidated financial statements which comply with Ind AS applicable for periods ending on March 31, 2024 together with the comparative period data as at and for the year ended March 31, 2023, as described in the summary of significant accounting policies. In preparing these consolidated financial statements, the Company's opening balance sheet was prepared as at April 01, 2022, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP Consolidated financial statements, including the balance sheet as at April 01, 2022 and the Consolidated financial statements as at and for the year ended March 31, 2023.

Exemptions applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

1. **Deemed cost: Property, plant and equipment, capital work in progress and intangible assets**
   A first-time adopter may elect to measure an item of property, plant and equipment, right to use assets (leasehold land) at the date of transition at its fair value and use that fair value as its deemed cost at that date. In addition to this, Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for intangible assets as recognised in the Consolidated financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. The Company has elected to continue with the carrying value for the property, plant and equipment, capital work in progress and intangible assets and use it as deemed cost (net of depreciation/amortization) as at the date of transition (i.e. April 01, 2022).

2. **Leases**
   As per Indian Accounting Standard (Ind AS) 101 First-time Adoption of Ind AS, provides exceptions to the retrospective application of Ind AS 116 lease. Accordingly a first time adopter may assess the classification of each element as finance or an operating lease at the date of transition to Ind AS on the basis of the facts and circumstances existing as at that date. If there is any lease newly classified as finance lease then the first time adopter may recognise assets and liability at fair value on that date; and any difference between those fair values is recognised in retained earnings. Ind AS 116 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 116, this assessment should be carried out at the inception of the contract or arrangement. However, the Company has used Ind AS 101 exemption where a first time adopter may assess whether a contract existing at the date of transition to Ind AS's contains leases by applying paragraph 9-11 of Ind AS 116 to those contracts on the basis of facts and circumstances existing at that date. The Company as first time adopter

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as a lessee recognised lease liabilities and right to use assets, and had adopted following approach to all of its leases by adopting modified retrospective method: (a) measured a lease liability at the date of transition to Ind AS. The Company has measured that lease liability at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at the date of transition to Ind AS. (b) measured a right-of-asset at the date of transition to Ind AS. The right-of-use assets were recognised based on the amount equal to the lease liabilities, and accrued lease payments previously recognised and reclassification of Leasehold land recognised previously under finance leases from property, plant and equipments.

Practical expedients applied:

In applying Ind AS 116 for the first time, the Company has used the following practical expedients permitted by the standard:

(a) applied a single discount rate to a portfolio of leases with reasonably similar characteristics (i.e. a similar remaining lease term for a similar class of underlying asset in a similar economic environment).

(b) elected not to apply the requirements of recognising lease liabilities and right to use assets for which the lease term ends within 12 months of the date of transition to Ind AS. Instead , the Company accounted these leases as if they were short term leases and have accounted these lease payments as an expense on either a straight line basis over the lease term or another systematic basis.

(c) elected not to apply the requirements of recognising lease liabilities and right to use assets for which the underlying asset is of low value. Instead, the Company accounted these leases as if they were short term leases and have accounted these lease payments as an expense on either a straight line basis over the lease term or another systematic basis.

(d) excluded initial direct costs from the measurement of the right to use assets at the date of transition to Ind AS.

3. Investments in certain equity shares

On the date of transition to Ind AS, a first time adopter can designate investments in certain equity shares of certain entities i.e. other than subsidiaries, associates and joint arrangements, as instruments fair valued through the other comprehensive income (FVOCI) or Fair value through Profit and loss (FVTPL).

Accordingly, the Company has opted to designate such equity investments as FVTPL.

4. Deemed cost for investments in equity shares of subsidiaries

Under, Ind AS 101 an entity can determine the value of investment in a subsidiary as either of the below:

- Cost determined in accordance with Ind AS 27 (i.e. retrospective application of Ind AS 27)
- Fair value at the entity's date of transition to Ind AS
- Previous GAAP carrying amount

Accordingly, if an entity chooses to measure its investment at fair value at the date of transition then that is deemed to be cost of such investment for the company and, therefore, it shall carry its investment at that amount (i.e. fair value at the date of transition) after the date of transition.

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Ind AS mandatory exceptions

1. **Estimate**

   The estimates at April 01, 2022 and at March 31, 2023 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:

   - Fair valuation of financial instruments carried at FVTPL.
   - Determination of the discounted value for financial instruments carried at amortised cost.
   - Impairment of financial assets based on expected credit loss model.

   The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at April 01, 2022, the date of transition to Ind AS and as of March 31, 2023.

2. **Classification and measurement of financial assets**

   Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS. The Company has applied the above requirement on transition date.

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41. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Effects of Ind AS adoption on Consolidated Balance Sheet as at 31st March, 2023 and 1st April, 2022

(INR in Lacs)

PARTICULARS	Note No.	As on 31st March 2023			As on 31st March 2022		
		IGAAP	Adjustment	IND AS	IGAAP	Adjustment	IND AS
ASSETS :							
NON CURRENT ASSETS :							
Property Plant & Equipment		7,432.95	-	7,432.95	6,492.72	-	6,492.72
Capital Work in Progress		185.70	-	185.70	180.68	-	180.68
Intangible assets		331.72	-	331.72	439.21	-	439.21
Right of use assets	1	-	119.79	119.79		153.38	153.38
Investments in subsidiaries, associates and Joint venture			-			-	-
Financial Assets			-				
-(i) Non Current Investment	3	357.99	153.75	511.74	357.99	208.87	566.86
-(ii) Loans		30.00	-	30.00	30.00	-	30.00
-(iii) Other financial assets		495.88	(51.09)	444.79	760.89	(74.97)	685.92
Total Non Current Assets		8,834.24	222.45	9,056.69	8,261.49	287.28	8,548.77
CURRENT ASSETS :							
Inventories		17,463.33	-	17,463.33	20,357.97	-	20,357.97
Financial Assets				-			-
-(i) Trade Receivables		11,921.52	-	11,921.52	12,003.19	-	12,003.19
-(ii) Cash and cash equivalents		9,819.83	-	9,819.83	5,143.52	-	5,143.52
-(iii) Bank Balance other than above		2,740.87	-	2,740.87	4,102.00	-	4,102.00
-(iv) Loans		27.82	-	27.82	31.97	-	31.97
-(v) Other Current Financial Assets		31.47	-	31.47	18.36	-	18.36
Other Current Assets		4,817.22	-	4,817.22	4,505.20	-	4,505.20
Total Current Assets		46,822.06	-	46,822.06	46,162.21	-	46,162.21
TOTAL :		55,656.30	222.45	55,878.75	54,423.70	287.28	54,710.98
EQUITY AND LIABILITIES							
EQUITY:							
Equity Share Capital		2,000.00	-	2,000.00	2,000.00	-	2,000.00
Other Equity		16,042.85	70.43	16,113.28	12,454.87	104.80	12,559.67
		18,042.85	70.43	18,113.28	14,454.87	104.80	14,559.67
NON CURRENT LIABILITIES :							
Non Controling Interest		(96.39)	-	(96.39)	26.50	-	26.50
Financial Liabilities							
-(i) Borrowings		8,926.97	-	8,926.97	6,635.20	-	6,635.20
-(ii) Lease Liability	1		55.11	55.11		100.38	100.38
Deferred Tax Liability	2	482.23	15.99	498.22	531.05	21.72	552.77
		9,409.20	71.10	9,480.30	7,166.25	122.10	7,288.35
CURRENT LIABILITIES :							
Financial Liabilities							
-(i) Short Term Borrowings		5,947.80	-	5,947.80	3,323.07	-	3,323.07
-(ii) Lease Liabilities	1		80.92	80.92		60.39	60.39
-(iii) Trade Payables		13,411.58	-	13,411.58	20,173.00	-	20,173.00
-(iv) Other financial liabilities		1,047.61	-	1,047.61	814.87	-	814.87
Short Term Provisions		1,279.90	-	1,279.90	1,181.92	(0.01)	1,181.91
Other current liabilities		6,613.75	-	6,613.75	7,283.22	-	7,283.22
		28,300.64	80.92	28,381.56	32,776.08	60.38	32,836.46
TOTAL :		55,656.30	222.45	55,878.75	54,423.70	287.28	54,710.98

*The IGAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

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41-Continued. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Effects of Ind AS adoption on Consolidated Statement of Profit & Loss for the year ended 31st March, 2023

(INR in Lacs)

PARTICULARS	Note No.	As per IGAAP	Adjustments	As per IND AS
A. INCOME :				
Revenue From Operations		88,046.98	-	88,046.98
Other Income		829.46	23.91	853.37
TOTAL INCOME :		88,876.44	23.91	88,900.35
B. EXPENDITURE :				
Cost of Materials Consumed & Operational Expenses		65,633.78	-	65,633.78
Changes in inventories		1,163.92	-	1,163.92
Employee benefits expenses	4	7,564.54	(37.12)	7,527.42
Finance Cost	1	1,902.82	15.10	1,917.92
Depreciation & Amortization	1	963.63	66.49	1,030.12
Other expenses	1 & 3	7,088.74	(17.61)	7,071.13
TOTAL EXPENSES :		84,317.43	26.86	84,344.29
Profit Before Tax & Exceptional Item :		4,559.01	(2.95)	4,556.06
Add/(Less) : Exceptional Item - Income / (Expense)		-	-	-
Profit Before Tax : (PBT) :		4,559.01	(2.95)	4,556.06
LESS/[ADD] : TAX EXPENSES :				
Current Tax	4	1,313.65	-	1,313.65
Deferred Tax Liability / Asset	2	(48.83)	(5.72)	(54.55)
Total Tax Provision :		1,264.82	(5.72)	1,259.10
Profit (loss) for the period from continuing operations :		3,294.19	2.77	3,296.96
Other Comprehensive Income				
Items that will not be reclassified to profit or loss (net of tax)			(27.78)	(27.78)
Remeasurements of the employee defined benefit plan			(9.34)	(9.34)
Total of Other Comprehensive Income for the year		-	(37.12)	(37.12)
Non Controling Interest		(120.04)	-	(120.04)
Total Comprehensive Income for the year		3,414.23	(34.35)	3,379.88

*The IGAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

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Footnotes to the reconciliation of Balance Sheet as at April 01, 2022 and March 31, 2023 and profit or loss for the year ended March 31, 2023.

1. **Leases**

   Lease recognised as operating leases in previous GAAP The Company has adopted modified retrospective method of Ind AS 116 and recognised the lease liabilities and right-to-use assets at the date of transition to Ind AS i.e. April 01, 2022 on the leases existing at that date. Lease liability recognised at fair value by measuring at present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of transition to Ind AS. Right to use asset recognised an amount equal to the lease liability and security deposit of the respective lease. Hence at the date of transition to Ind AS i.e. April 01, 2022, lease liability of Rs. 160.77 Lacs and right to use asset of Rs.153.38 were recognised. This led to increase in depreciation and interest expense by Rs. 66.49 Lacs and 15.10 Lacs respectively and decrease in (reversal of) rent of Rs. 72.74 Lacs in the year ended March 31, 2023.

2. **Deferred tax**

   Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP. In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Company has to account for such differences. Accordingly, deferred tax liability is increased by 15.99 Lacs as at March 31, 2023 and by 21.72 Lacs as at April 01, 2022.The deferred tax charge (credit) is increased by Rs.5.73 Lacs in year ended March 31, 2023.

3. **Fair valuation of investments in certain financial assets**

   Under the Previous GAAP, investments in equity shares of entities not consolidated and mutual funds were classified as long-term investments measured at cost less provision for other than temporary diminution in the value. Under Ind AS, these investments have been fair valued through the statement of profit or loss. This has increased the equity by INR 208.87 lakhs and INR 153.75 lakhs on April 1, 2022 and March 31, 2023 respectively.

4. **Actuarial gains and losses accounted through OCI**

   Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under IGAAP, these remeasurements were forming part of the profit or loss for the year. Accordingly, INR 37.12 lakhs has been reclassified from the statement of profit and loss to statement of comprehensive income in 2022-23 (net of taxes 27.78

lacs). However, this adjustment has no impact on the total equity on the transition date as well as March 31, 2023.

5. **Other comprehensive income**

Under Indian GAAP, the Company has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP profit or loss to profit or loss as per Ind AS. Further, Indian GAAP profit or loss is reconciled to total comprehensive income as per Ind AS.

6. **Retained earnings**

Retained earnings as at April 1, 2022 has been adjusted consequent to the Ind AS transition adjustments.

42 Fair Value Measurements:

A Accounting Classification and Fair Values

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
Total Financial Assets	-	**24,270.58**	**689.88**	-	**24,960.46**	**689.88**	**24,270.58**	-	**24,960.46**
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
Total Financial Liabilities	-	**31,124.83**	-	-	**31,124.83**	-	**31,124.83**	-	**31,124.83**

As at March 31, 2023 (INR in Lacs)

Particulars	Carrying Value					Fair Value			
	At Cost	Amortised Cost	FVTPL	FVTOCI	Total	Level 1	Level 2	Level 3	Total
Investments	-	-	511.74	-	511.74	511.74	-	-	511.74
Loans	-	57.82	-	-	57.82	-	57.82	-	57.82
Trade Receivables	-	11,921.52	-	-	11,921.52	-	11,921.52	-	11,921.52
Cash and Cash Equivalents	-	9,819.83	-	-	9,819.83	-	9,819.83	-	9,819.83
Other Bank Balances	-	2,740.87	-	-	2,740.87	-	2,740.87	-	2,740.87
Other Financial Assets	-	476.26	-	-	476.26	-	476.26	-	476.26
Total Financial Assets	-	**25,016.30**	**511.74**	-	**25,528.04**	**511.74**	**25,016.30**	-	**25,528.04**
Borrowings (incl. Current Maturities)	-	14,874.77	-	-	14,874.77	-	14,874.77	-	14,874.77
Lease Liabilities		136.03			136.03	-	136.03	-	136.03
Trade Payable	-	13,411.58	-	-	13,411.58	-	13,411.58	-	13,411.58
Other Financial Liabilities	-	1,047.61	-	-	1,047.61	-	1,047.61	-	1,047.61
Total Financial Liabilities	-	**29,469.99**	-	-	**29,469.99**	-	**29,469.99**	-	**29,469.99**

As at March 31, 2022 (INR in Lacs)

Particulars	Carrying Value					Fair Value			
	At Cost	Amortised Cost	FVTPL	FVTOCI	Total	Level 1	Level 2	Level 3	Total
Investments	-	-	566.86	-	566.86	566.86	-	-	566.86
Loans		81.97		-	81.97	-	81.97	-	81.97
Trade Receivables		12,003.19		-	12,003.19	-	12,003.19	-	12,003.19
Cash and Cash Equivalents		5,143.52		-	5,143.52	-	5,143.52	-	5,143.52
Other Bank Balances		4,102.00		-	4,102.00	-	4,102.00	-	4,102.00
Other Financial Assets		704.28		-	704.28	-	704.28	-	704.28
Total Financial Assets	-	**22,014.96**	**566.86**	-	**22,581.82**	**566.86**	**22,014.96**	-	**22,581.82**
Borrowings (incl. Current Maturities)	-	9,958.27	-	-	9,958.27	-	9,958	-	9,958
Lease Liabilities	-	160.77	-	-	160.77	-	161	-	161
Trade Payable	-	20,173.00	-	-	20,173.00	-	20,173	-	20,173
Other Financial Liabilities	-	814.87	-	-	814.87	-	815	-	815
Total Financial Liabilities	-	**31,106.91**	-	-	**31,106.91**	-	**31,106.91**	-	**31,106.91**

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.

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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, 2024, March 31, 2023 and March 31, 2022.

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:

(INR in Lacs)

Particulars	As at		
	31-Mar-24	31-Mar-23	31-Mar-22
Financial Assets			
Loans	75.59	57.82	61.97
Security Deposits	352.09	444.79	685.92
	427.68	**502.61**	**747.89**
Financial Liabilities			
Borrowings (including current maturities)	20,484.10	14,874.77	9,958.27
Lease Liability	64.41	136.03	160.77
	20,548.51	**15,010.80**	**10,119.04**

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

(INR in Lacs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
Increase in 100 basis points	(150.56)	(108.56)	(70.12)
Decrease in 100 basis points	150.56	108.56	70.12

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 (INR in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Loss allowance as at beginning of the year	-	-	-
Changes in Loss allowance	-	-	-
Loss allowances as at end of the year	-	-	-

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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 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
As at March 31, 2024				
Financial Liabilities				
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
Total	**31,060.32**	**26,614.18**	**4,446.24**	**31,060.42**
As at March 31, 2023				
Financial Liabilities				
Borrowings	14,874.77	5,947.80	8,926.97	14,874.77
Trade Payables	13,411.58	13,396.76	14.82	13,411.58
Other Financial Liabilities	1,047.61	1,047.61		1,047.61
Total	**29,333.96**	**20,392.17**	**8,941.79**	**29,333.96**
As at March 31, 2022				
Financial Liabilities				
Borrowings	9,958.27	3,323.07	6,635.20	9,958.27
Trade Payables	20,173.00	20,173.00	-	20,173.00
Other Financial Liabilities	814.87	814.87	-	814.87
Total	**30,946.14**	**24,310.94**	**6,635.20**	**30,946.14**

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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
As at March 31, 2024				
Financial Assets				
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
Total	24,960.46	21,285.66	3,674.80	24,960.46
As at March 31, 2023				
Financial Assets				
Investments	511.74	511.74	-	511.74
Loans	57.82	27.82	30.00	57.82
Trade Receivables	11,921.52	11,099.23	822.29	11,921.52
Cash and Cash Equivalents	9,819.83	9,819.83	-	9,819.83
Other Bank Balances	2,740.87	2,740.87	-	2,740.87
Other Financial Assets	476.26	31.47	444.79	476.26
Total	25,528.04	24,230.96	1,297.08	25,528.04
As at March 31, 2022				
Financial Assets				
Investments	566.86	566.86	-	566.86
Loans	61.97	31.97	30.00	61.97
Trade Receivables	12,003.19	11,337.25	665.94	12,003.19
Cash and Cash Equivalents	5,143.52	5,143.52	-	5,143.52
Other Bank Balances	4,102.00	4,102.00	-	4,102.00
Other Financial Assets	704.28	18.36	685.92	704.28
Total	22,581.82	21,199.96	1,381.86	22,581.82

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	31-Mar-24	31-Mar-23	31-Mar-22
Total Borrowings	20,484.10	14,874.77	9,958.27
Less: Cash and Cash equivalents	7,344.12	9,819.83	5,143.52
Adjusted Net debt	13,139.98	5,054.94	4,814.75
Total Equity	23,303.32	18,113.19	14,559.72
Adjusted Net debt to equity ratio	56.39%	27.91%	33.07%

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43 Ratio Analysis:

Sr.No.	Particulars	Numerator	Denominator	2023-2024	2022-2023	Variance	Remarks
1	Current ratio (in times)	Total current assets	Total current liabilites	1.36	1.65	-17.43%	
2	Debt-Equity ratio (in times)	Debt consists of borrowings and lease liabilities	Total Equity	0.88	0.83	6.40%	
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	4.03	4.04	-0.28%	
4	Return on equity ratio (in %)	Profit for the year less Preference dividend (if any)	Total Equity	19.58%	18.20%	1.38%	
5	Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	6.16	7.36	-16.32%	
6	Trade payables turnover ratio (in times)	Cost of operation (Reduced by Employee Benefits, Finance Cost & Depreciation) + Other expenses	Average trade payables	5.58	4.40	26.82%	Note 1
7	Net capital turnover ratio (in times)	Revenue from operations	Net working capital (i.e. Total current assets less Total current liabilities	6.24	4.77	30.78%	Note 2
8	Net profit ratio (in %)	Profit for the year	Total Revenue	5.65%	3.71%	1.94%	
9	Return on capital employed (in %)	Profit before tax and finance costs	Capital employed = Total Assets (-) Current Liabilities	29.82%	29.60%	0.23%	
10	Return on investment (in %)	Income generated from invested funds	Average invested funds in treasury investments	3.81%	1.10%	2.71%	

1 The increase in ratio is due to decrease in average trade payables
2 The increase in ratio is due to decrease in Net working capital

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Disclosure pursuant to Ind AS-19 'Employee Benefits:

44. 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:

Particulars	Year 2023-2024	Year 2022-2023	Year 2021-2022
Employer's Contribution to Provident Fund	347.13	255.30	210.59

(b) Defined Benefit Plans

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

Particulars	Year 2023-2024 Gratuity	Year 2022-2023 Gratuity	Year 2021-2022 Gratuity
Opening Defined Benefit Obligation	536.17	490.98	450.35
Interest Cost	40.21	35.11	30.89
Current Service Cost	46.58	48.06	47.26
Past service cost	-	-	-
Benefit Paid	(64.91)	(69.82)	(65.24)
Actuarial Gain / Loss	111.76	31.84	27.72
Closing Defined Benefit Obligation	669.81	536.17	490.98

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

Particulars	Year 2023-2024 Gratuity	Year 2022-2023 Gratuity	Year 2021-2022 Gratuity
Opening value of plan assets	534.12	498.32	449.75
Expected return	40.08	35.63	30.85
Actuarial gain (Loss)	1.50	(5.29)	(7.52)
Contributions by employer	92.29	75.28	90.48
Benefits paid		(69.82)	(65.24)
Closing value of planned assets	667.99	534.12	498.32

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

Particulars	Year 2023-2024 Gratuity	Year 2022-2023 Gratuity	Year 2021-2022 Gratuity
Define Benefit Obligation	669.81	536.17	490.98
Fair value of Planned assets	667.99	534.12	498.32
Less : Unrecognised past service cost		-	-
Amount Recognised in Balance Sheet	1.81	2.05	(7.34)

(iv) Expense Recognised during the year:

Particulars	Year 2023-2024 Gratuity	Year 2022-2023 Gratuity	Year 2021-2022 Gratuity
Current Service Cost	46.58	48.06	47.26
Interest Cost	0.13	(0.52)	0.04
Expected return on planned assets	-	-	-
Past year cost vested	-	-	-
Net Actuarial (Gain) / Loss Recognized in the year	110.26	37.12	35.24
Closing Defined Benefit Obligation	156.97	84.66	82.54

(v) Actuarial Assumptions:

Particulars	Year 2023-2024	Year 2022-2023	Year 2021-2022
Discount Rate	7.23%	7.50%	7.15%
Salary Escalation	4.00%	4.00%	4.00%
Rate of Return on Plan Asset	7.23%	7.50%	7.15%
Employee Turnover	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.	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.	For service 4 years and below 22.00% p.a. For service 5 years to 8 years 12.00% p.a. For service 9 years and above 3.00% p.a.
Mortality Rate During Employment	Indian Assured Life Mortality 2012-14 (Urban)	Indian Assured Life Mortality 2012-14 (Urban)	Indian Assured Life Mortality 2012-14 (Urban)

(vi) Sensitivity Analysis

Particulars	Year 2023-2024	Year 2022-2023	Year 2021-2022
Defined Benefit Obligation on Current Assumptions	669.80	536.17	490.58
Delta Effect of +1% Change in Rate of Discounting	(57.88)	(46.57)	(42.44)
Delta Effect of -1% Change in Rate of Discounting	67.37	54.32	49.66
Delta Effect of +1% Change in Rate of Salary Increase	63.85	50.88	45.71
Delta Effect of -1% Change in Rate of Salary Increase	(55.47)	(44.33)	(40.12)
Delta Effect of +1% Change in Rate of Employee Turnover	20.35	19.16	55.03
Delta Effect of -1% Change in Rate of Employee Turnover	(22.89)	(21.54)	(37.50)

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

Umesh Talati
(Partner)
Membership Number : 034834

Place : Ahmedabad
Date : June 06,2024

For and on behalf of Board of Directors

Chirag H. Patel
Chairman & Joint Managing Director
DIN: 00260603

Malav C. Patel
Joint Managing Director
DIN: 00260614

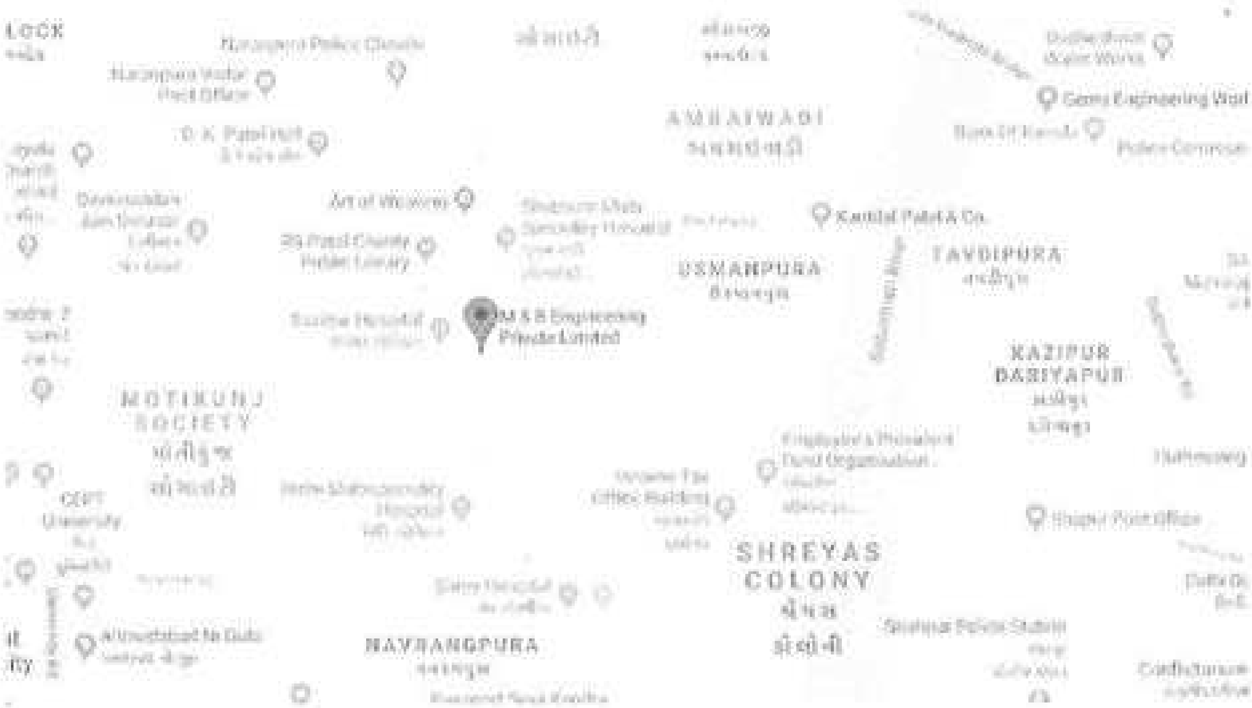
Pankaj Naresh
Chief Executive Officer

Mayur S. Patel
Chief Executive Officer

Rajur B. Shah
Chief Financial Officer
Place : Ahmedabad
Date : June 06,2024

Palak D. Parekh
Company Secretary

AGM Venue – 2024



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 42nd Annual General Meeting of the Company, to be held on Thursday the 6th June, 2024 at 4.30 PM 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
Ordinary Business:	
1	Adoption of the Audited Financial Statements of the Company for the financial year ended 31st March, 2024, the reports of the Board of Directors and Auditors thereon.
2	Re-appointment of Mr. Girishbhai Manibhai Patel (DIN: 00261624), liable to retire by rotation and being eligible, offers himself for re-appointment.
3	Appointment of Auditors for a period of 5 (five) years
Special Business:	
4	Consideration of Remuneration payable to Cost Auditors of the Company pursuant to Section 148 of the Companies Act, 2013.
5	Increase in Authorised Share Capital and consequent alteration in Clause V of the Memorandum of Association of the Company
6	Re-appointment of Mr. Birju Maheshbhai Patel (DIN: 06803409) as a Non-executive Independent Director for a second term of 5 (five) consecutive years
7	Adoption of new set of Articles of Association in substitution of the existing set of Articles of Association
8	Increase in Investment Limits for Non-Resident Indians and Overseas Citizens of India
9	Approval of the Employee Stock Option Scheme for the Employees of the Company
10	Approval of the Employee Stock Option Scheme for the Employees of the Subsidiary

Signed this .... day of 2024

Signature of Shareholder...

Affix Revenue Stamp here

Signature of Proxy holder(s) (1).............................. (2)..............................

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.