

M S K A & Associates
Chartered Accountants
1101/B, 11th Floor,
Manjeera Trinity Corporate,
JNTU - Hitec City Road,
Kukatpally, Hyderabad
Telangana - 500072

Laxminiwas & Co
Chartered Accountants
6-3-569/1, 4th Floor,
Above BMW Showroom,
Opp. RTA office,
Khairatabad, Hyderabad
Telangana - 500082

INDEPENDENT AUDITOR'S REPORT

To the Members of Azad Engineering Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Azad Engineering private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

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 Accounting Standards prescribed under section 133 of the Act read with Companies(Accounts) Rules, 2014 as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. 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 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.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

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

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

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



Responsibilities of Management and Those Charged with Governance for Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement 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, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control 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 internal financial controls with reference to standalone 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.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Other Matter

The standalone financial statements of the Company for the year ended March 31, 2021, were audited by another auditor. The said auditor had qualified his report dated 27th November, 2021 with respect to Corporate Social Responsibility requirements.

As at March 31, 2022, the company has accumulated unspent amount of Rs. 83.12 lakhs pertaining to Corporate Social Responsibility. The company has transferred the funds to specific CSR account and plans to spend the amount on the identified ongoing projects. (Refer note 52)

Our opinion is not modified in respect of this matter.

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 Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. 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 purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss, and the Statement of Cash Flow 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

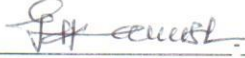


- e. On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 30 to the standalone financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv.
 - (1) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person/ entity, including foreign entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (2) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to accounts, no funds have been received by the Company from any person / entity, including foreign entities("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (3) Based on our audit procedures which we have considered reasonable and appropriate in the circumstances and according to the information and explanations provided to us by the Management in this regard, nothing has come to our notice that has caused us to believe that the representations made by the Management under (i) and (ii) above contain any material misstatement.
 - v. The company has neither declared nor paid any dividend during the year.



3. In our opinion, according to information, explanations given to us, the provisions of Section 197 of the Act and the rules thereunder are not applicable to the Company as it is a private Company.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

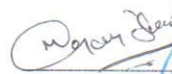


Ananthakrishnan Govindan
Partner
Membership No.205226
UDIN: 22205226BGKHKZ6744

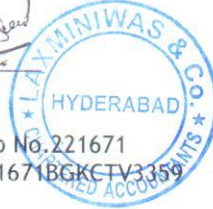


Place: Hyderabad
Date: December 29, 2022

For Laxminiwas & Co.
Chartered Accountants
ICAI Firm Registration No.011168S



Vijay Singh
Partner
Membership No.221671
UDIN: 22221671BGKCTV3359



Place: Hyderabad
Date: December 29, 2022

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF AZAD ENGINEERING PRIVATE LIMITED FOR THE YEAR ENDED MARCH 31, 2022

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

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 has no intangible assets. Accordingly, the provisions stated in paragraph 3(i)(a)(B) of the Order are not applicable to the Company.

- (b) The Company has a regular programme for physical verification in a phased periodic manner, which in our opinion, is reasonable having regards 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 immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in the financial statements are held in the name of the Company.
- (d) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment or intangible assets or both during the year. Accordingly, the requirements under paragraph 3(i)(d) of the Order are not applicable to the Company.
- (e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder. Accordingly, the provisions stated in paragraph 3(i) (e) of the Order are not applicable to the Company.

ii.

- (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification, coverage & procedure of such verification is reasonable and appropriate. No material discrepancies were noticed on such verification.
- (b) During the year the Company has been sanctioned working capital limits in excess of Rs. 5 crores in aggregate from Banks on the basis of security of current assets. Quarterly returns / statements filed with such Banks are in agreement with the books of account.



iii.

- (a) According to the information and explanations provided to us, the Company has provided loans or provided advances in the nature of loans, to subsidiaries as given below.

(A) The details of such loans or advances to subsidiaries, are as follows:

Particulars	(Amt in INR Lakhs)
Loans & Advances to subsidiaries	
Aggregate amount during the year	
- Subsidiaries (Refer note 36 to the financial statements)	Rs. 48.93
Balance Outstanding as at the balance sheet date	
- Subsidiaries (Refer note 36 to financial statements)	Rs.48.93

(B) The details of such loans or advances in the nature of loans to parties other than subsidiary are as follows:

Particulars	(Amt in INR Lakhs)
Loans & Advances to others	
Aggregate amount during the year	
- Others (Enterprise under common control) (Refer note 36 to financial statement)	Rs. 141.15
Balance Outstanding as at balance sheet date in respect of above cases	
- Others (Enterprise under common control) (Refer note 36 to financial statement)	Rs.136.15

- (b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the terms and conditions in relation to investments made, guarantees provided, securities given and grant of all loans and advances in the nature of loans and guarantees are not prejudicial to the interest of the Company.
- (c) In case of the loans and advances in the nature of loans, schedule of repayment of principal and interest have not been stipulated as all the loans and advances are interest free and repayable on demand. Hence, irregularity towards repayment of principal is not noted.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no amounts overdue for more than ninety days in respect of any loan granted to a Company/ Firm/ LLP/ Other Parties.
- (e) According to the information and explanations provided to us, the loan or advance in the nature of loan granted has not fallen due during the year. Hence, the requirements under paragraph 3(iii) (e) of the Order are not applicable to the Company.



- (f) According to the information and explanations provided to us, the Company has granted loans/advances in the nature of loans repayable on demand. The details of the same are as follows:

Particulars	(Amt in INR Lakhs)
Related Parties	
Aggregate amount of loans/ advances in nature of loans	
- Repayable on demand (A)	185.08
- Agreement does not specify any terms or period of repayment (B)	
Total (A+B)	185.08
Percentage of loans/ advances in nature of loans to the total loans	100%

- iv. According to the information and explanations given to us, the Company has neither, directly or indirectly, granted any loan to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of section 185 of the Act nor made investments through more than two layers of investment companies in accordance with the provisions of section 186 of the Act. Accordingly, provisions stated in paragraph 3(iv) of the Order are not applicable to the Company.
- v. According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess have not generally been regularly deposited with the appropriate authorities though the delay in deposits have not been serious.



- (b) According to the information and explanation given to us and examination of records of the Company, the outstanding dues of income-tax, goods and service tax, customs duty, cess and any other statutory dues on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (in INR Lakhs)	Period to which the amount relates	Forum where dispute is pending
The income Tax Act, 1961	Income Tax	6.60	AY 09-10	Assessing Officer
The income Tax Act, 1961	Income Tax	0.073	AY 18-19	-do-
The income Tax Act, 1961	Income Tax	0.139	AY 18-19	-do-
The income Tax Act, 1961	Income Tax	60.65	AY 20-21	-do-

- viii. According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Tax Assessment of the Company. Also, there are no previously unrecorded income which has been now recorded in the books of account. Hence, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company.
- 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 borrowings or in payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations provided to us, money raised by way of term loans during the year have been applied for the purpose for which they were raised.
- (d) According to the information and explanations given to us, and on the basis of our audit procedures, and on an overall examination of the standalone financial statements of the company, we report that no funds raised on short term basis have been used for long-term purposes by the company.



- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the company has not taken any funds from an any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies as per details below. Further, the company has not defaulted in repayment of such loans raised.

Nature of loan taken	Name of Lender	Amount of loan Sanctioned (INR lakhs)	Name of subsidiaries	Relation	Details of security pledged
Working Capital /term Loan	IndusInd Bank	5,249	i)Roulard Chemicals Pvt Ltd ii)Swastik Coaters Pvt. Ltd	Subsidiaries	i)Plot no 90D (5,392 sq yards) ii) Plot no 90C(5,178 sq yards)
Working Capital /term Loan	ICICI Bank	2,400	i)Roulard Chemicals Pvt Ltd ii)Swastik Coaters Pvt. Ltd	Subsidiaries	i)Plot no 90D (5,392 sq yards) ii) Plot no 90C(5,178 sq yards)
Working Capital /term Loan	Union Bank of India	4,668	ii)Swastik Coaters Pvt. Ltd	Subsidiary	i) Plot no 90C(5,178 sq yards)
Working Capital /term Loan	Union Bank of India	5,416	i)Roulard Chemicals Pvt Ltd ii)Swastik Coaters Pvt. Ltd	Subsidiaries	i)Plot no 90D (5,392 sq yards) ii) Plot no 90C(5,178 sq yards)

x.

- (a) In our opinion and according to the information explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Hence, the provisions stated in paragraph 3 (x)(a) of the Order are not applicable to the Company.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has made private placement of Compulsorily & optionally convertible debentures during the year and the requirements of Section 42 and section 62 of the Act have been complied with. The amounts raised have been used for the purposes for which they were raised.

xi.

- (a) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we report that no material fraud by the Company nor on the Company has been noticed or reported during the year.



- (b) We have not come across of any instance of material fraud by the Company or on the Company during the course of audit of the standalone financial statement for the year ended March 31, 2022, Accordingly the provisions stated in paragraph (xi)(b) of the Order are not applicable to the Company.
- (c) As represented to us by the Management, there were no whistle-blower complaints received by the Company during the year. Accordingly, the provisions stated in paragraph (xi)(c) of the Order are not applicable to company.
- xii. The Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) (a) to (c) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion and based on our examination, the Company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act. Accordingly, the provisions of paragraph xiv(a) and (b) are not applicable to the company.
- xv. According to the information and explanations given to us, during the year the Company has not entered into non-cash transactions with directors or persons connected with its directors and hence, provisions of section 192 of the Act are not applicable to company.
- xvi. (a) The Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph 3 (xvi)(a) of the Order are not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without any valid Certificate of Registration from Reserve Bank of India. Hence, the reporting under paragraph 3 (xvi)(b) of the Order are not applicable to the Company.
- (c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Hence, the reporting under paragraph 3 (xvi)(c) of the Order are not applicable to the Company.
- (d) The Group does not have any CIC as part of its group. Hence the provisions stated in paragraph 3 (xvi) (d) of the order are not applicable to the company.
- xvii. Based on the overall review of standalone financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Hence, the provisions stated in paragraph 3 (xvii) of the Order are not applicable to the Company.
- xviii. There has been resignation of the statutory auditors during the year and there were no issues, objections or concerns raised by the outgoing auditors.



xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

xx.


(a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Act, in compliance with second proviso to sub section 5 of section 135 of the Act. (Refer note 52 to the financial statements).

(b) In respect of ongoing projects, the Company has transferred unspent amount to a special fund within a period of thirty days from the end of the financial year in compliance section 135(6) of the said Act, except in respect of the following:

Financial year	Amount unspent on Corporate Social Responsibility activities "Ongoing Projects"	Amount transferred to special Account within 30 days from the end of the financial year	Amount transferred after the due date i.e., 20 th Dec 2022
(a)	(b)	(c)	(d)
FY 20-21	30.48 Lakhs	-	30.48 Lakhs
FY 21-22	52.63 Lakhs	-	52.63 Lakhs

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in the report.

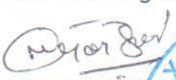
For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W


Ananthkrishnan Govindan
Partner
Membership No.205226
UDIN: 22205226BGKHKZ6744

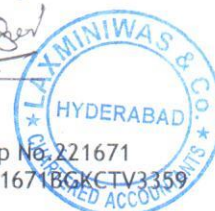
Place: Hyderabad
Date: December 29,2022



For Laxminiwas & Co.
Chartered Accountants
ICAI Firm Registration No.0111685


Vijay Singh
Partner
Membership No. 221671
UDIN: 22221671BGKCTV3359

Place: Hyderabad
Date: December 29,2022



ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF AZAD ENGINEERING PRIVATE LIMITED

[Referred to in paragraph 2f under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Azad Engineering Private Limited on the Financial Statements for the year ended March 31, 2022]

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

We have audited the internal financial controls with reference to standalone financial statements of Azad Engineering Private Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements 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) (the "Guidance Note"). These responsibilities include the design, implementation and maintenance of 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether internal financial controls with reference to standalone financial statements 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 with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, 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 with reference to standalone financial statements.



Meaning of Internal Financial Controls With reference to Standalone Financial Statements

A Company's internal financial control with reference to standalone financial statements 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 with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 standalone financial statements.

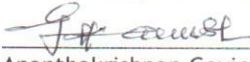
Inherent Limitations of Internal Financial Controls With reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, 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 with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2022, based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

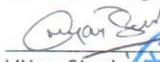
For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W


Ananthakrishnan Govindan
Partner
Membership No.205226
UDIN: 22205226BGKHKZ6744



Place: Hyderabad
Date: December 29, 2022

For Laxminiwas & Co.
Chartered Accountants
ICAI Firm Registration No.0111685


Vijay Singh
Partner
Membership No.221671
UDIN: 22221671BGKCTV3359



Place: Hyderabad
Date: December 29, 2022



AZAD ENGINEERING PRIVATE LIMITED

Balance Sheet as at 31st March, 2022

Particulars	Note No.	As at 31 March 2022 (in Lakhs)	As at 31 March 2021 (in Lakhs)
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share Capital	3	151.32	541.32
Reserves and Surplus	4	12,394.69	9,597.20
NON-CURRENT LIABILITIES			
Long-Term Borrowings	5	12,208.09	3,675.18
Deferred Tax liabilities(Net)	6	853.56	686.64
Long-Term Provisions	7	225.17	162.79
CURRENT LIABILITIES			
Short-Term Borrowings	8	5,380.21	2,988.99
Trade Payables	9	4,889.95	4,148.52
Other Current Liabilities	10	3,742.53	3,779.50
Short-Term Provisions	11	803.60	391.06
TOTAL		40,649.12	25,971.20
ASSETS			
NON-CURRENT ASSETS			
Property, Plant and Equipment	12	15,726.98	11,405.99
Capital Work In Progress		381.80	-
Non Current Investments	13	628.26	629.26
Long-Term Loans & Advances	14	5,938.44	888.91
Other Non-Current assets	15	1,104.52	762.41
CURRENT ASSETS			
Inventories	16	5,417.82	2,949.20
Trade Receivables	17	7,565.59	5,333.31
Cash and Bank Balances	18	1,765.59	2,030.96
Short-Term Loans and Advances	19	1,207.47	480.97
Other current assets	20	912.65	1,490.19
TOTAL		40,649.12	25,971.20

Summary of significant accounting policies

2

The accompanying notes are an integral part of the financial statements

As per our report of even date

For M S K A & Associates
Chartered Accountants
Firm Registration No.:105047W


Ananthakrishnan Govindan
Partner
Membership No:205226
UDIN:22205226BGKHKZ6744

Place:Hyderabad
Date: 29-12-2022

For Laxminiwas & Co.
Chartered Accountants
Firm Registration No.:0111685


Vijay Singh
Partner
Membership No:221671
UDIN:22221671BGKCTV3359

Place:Hyderabad
Date: 29-12-2022

For and on behalf of the Board of Directors of
Azad Engineering Private Limited
CIN:U74210TG1983PTC004132


Rakesh Chopdar
Director
DIN:01795599


Jyoti Chopdar
Director
DIN:03132157

Place: Hyderabad
Date: 29-12-2022


Ful Kumar Pantam
Company Secretary
M.no:BBBPG5135K

Place: Hyderabad
Date: 29-12-2022

**AZAD ENGINEERING PRIVATE LIMITED****Statement of Profit & Loss for the year ended 31st March, 2022**

Particulars	Note No.	For the year Ended 31 March 2022 (in Lakhs)	For the year Ended 31 March 2021 (in Lakhs)
INCOME			
Revenue from Operations	21	19,318.66	12,051.11
Other Income	22	461.83	415.96
TOTAL INCOME		19,780.49	12,467.07
EXPENSES			
Cost of Materials Consumed	23	3,761.03	2,216.40
Changes in inventories of finished goods, work-in-progress, raw materials	24	(1,695.70)	(841.24)
Employee Benefit Expenses	25	4,718.96	3,162.12
Finance Costs	26	1,268.71	488.91
Depreciation	27	1,331.38	887.35
Other Expenses	28	6,564.86	4,644.06
TOTAL EXPENSES		15,949.24	10,557.60
PROFIT BEFORE TAX		3,831.25	1,909.47
TAX EXPENSE			
Current Tax		866.83	414.93
Deferred Tax		166.93	143.09
PROFIT FOR THE YEAR		2,797.49	1,351.45
EARNING PER EQUITY SHARE (FACE VALUE 10/- PER SHARE)			
Basic		184.90	89.32
Diluted	34	183.34	89.32

Summary of significant accounting policies

2

The accompanying notes are an integral part of the financial statements


As per our report of even date

For M S K A & Associates
Chartered Accountants
Firm Registration No.:105047W

For Laxminiwas & Co.
Chartered Accountants
Firm Registration No.:0111685

For and on behalf of the Board of Directors of
Azad Engineering Private Limited
CIN:U74210TG1983PTC004132


Ananthkrishnan Govindan
Partner
Membership No:205226
UDIN:22205226BGKHKZ6744


Vijay Singh
Partner
HYDERABAD
Membership No:221671
UDIN:22221671BGKGTV3359


Rakesh Chopdar
Director
DIN:01795599


Jyoti Chopdar
Director
DIN:03132157


Ful Kumar Gautam
Company Secretary
M.no:BBBPG5135K

Place:Hyderabad
Date: 29-12-2022

Place:Hyderabad
Date: 29-12-2022

Place: Hyderabad
Date: 29-12-2022

Place: Hyderabad
Date: 29-12-2022

Place: Hyderabad
Date: 29-12-2022

**AZAD ENGINEERING PRIVATE LIMITED****Cash Flow Statement For the year ended 31st March, 2022**

Particulars	For the year Ended 31 March 2022 (in Lakhs)	For the year Ended 31 March 2021 (in Lakhs)
I. Cash Flow From Operating Activities		
Net Profit before tax	3,831.25	1,909.47
Add: Adjustments for		
Depreciation	1,331.38	887.35
Interest Income	(76.49)	(60.91)
Foreign Exchange Fluctuations	18.15	(109.56)
Finance Costs	1,268.71	488.90
Less: Adjustments for		
Prior Period	-	(282.97)
Operating Profit before working capital changes	6,373.00	2,832.28
Changes in Working Capital		
Increase in Inventories	(2,468.63)	(1,297.88)
Increase in Trade Receivables	(2,232.28)	(1,255.09)
Increase in current Investments	-	-
Increase in Loans & Advances	(726.49)	(109.21)
Increase in Trade Payables	741.42	(275.35)
Decrease in Other Current Assets	577.54	1,273.39
Decrease in Other Current Liabilities	(426.97)	2,271.53
Increase in Short term Provisions	412.55	203.60
Increase Other Long term Provisions	62.38	162.79
Cash Generated from/(Used in) Operations	2,312.52	3,806.06
Income Tax Paid	866.83	414.93
Net Cash Generated from/(Used in) Operating Activities - I	1,445.69	3,391.13
II. Cash Flow From Investing Activities:		
Purchase of Property, Plant & Equipment including Capital Work In Progress	(6,034.17)	(2,159.16)
Proceeds from Sale of Investment	1.00	-
Interest Income	76.49	60.91
Advances given	(5,049.52)	2.50
Decrease in Non-Current assets	(342.12)	(762.41)
Net Cash Generated from/(Used in) Investing Activities - II	(11,348.32)	(2,858.16)
III. Cash Flow From Financing Activities		
Increase in Secured Loans	10,924.12	1,076.14
Foreign Exchange Fluctuations	(18.15)	109.56
Finance Costs	(1,268.71)	(488.91)
Net Cash Generated from/(Used in) Financing Activities - III	9,637.26	696.79
Net Increase /(decrease) in cash & cash equivalents (I+II+III)	(265.37)	1,229.76
Cash & Cash Equivalents at the beginning of the year	2,030.96	801.20
Cash & Cash Equivalents at the end of the year	1,765.59	2,030.96

Summary of significant accounting policies

2


The accompanying notes are an integral part of the financial statements
As per our report of even date

For M S K A & Associates
Chartered Accountants
Firm Registration No.:105047W

For Laxminiwas & Co.
Chartered Accountants
Firm Registration No.:0111685

For and on behalf of the Board of Directors of
Azad Engineering Private Limited
CIN:U74210TG1983PTC004132


Ananthakrishnan Govindan
Partner
Membership No:205226
UDIN:22205226BGGKHKZ6744


Vijay Singh
Partner
Membership No:221671
UDIN:22221671BGGKCTV3359


Rakesh Chopdar
Director
DIN:01795599


Jyoti Chopdar
Director
DIN:03132157


Fu. Kumar Gautam
Company Secretary
M.no:BBBPG5195K

Place:Hyderabad
Date: 29-12-2022

Place:Hyderabad
Date: 29-12-2022

Place: Hyderabad
Date: 29-12-2022

Place: Hyderabad
Date: 29-12-2022

Place: Hyderabad
Date: 29-12-2022

1. Corporate Information

Azad Engineering Private Limited ('The Company') is a Company incorporated under the Provisions of the Companies Act, 2013 ('The Act') on September 14th, 1983. The registered office of the Company is located at 90/C, 90/D, Phase 1, I.D.A, Jeedimetla, Hyderabad-500055.

The Company is into manufacturing of precision forged and machined components for turbines and aerospace as required by power generation and aerospace OEMs, with its manufacturing unit in Hyderabad. Company manufactures all types of blades for both radial & axial flow.

2. Summary of significant accounting policies

a) Basis of preparation of Financial Statements:

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2014 as amended, specified under Section 133 and other relevant provisions of the Companies Act, 2013.

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III (Division-I) to the Companies Act, 2013. Based on the nature of products manufactured and services rendered and the time between the 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. The financial statements are presented in Indian rupees in lakhs.

b) Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in India requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities as of the Balance Sheet date, reported amount of revenues and expenses for the year and disclosure of contingent liabilities as of the Balance Sheet date. The estimates and assumptions used in the accompanying standalone financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results could differ from these estimates.

c) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

d) Property Plant and Equipment and Intangible Assets

A. Tangible Assets:

Tangible Assets, capital work in progress are stated at cost net of recoverable taxes, trade discounts and rebates and include amounts added on revaluation, less accumulated depreciation and impairment loss, if any. The cost of tangible assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets. Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Projects under which assets are not ready for their intended use are shown as Capital Work-in-Progress.



B. Intangible Assets:

An intangible asset is recognized when it is probable that the future economic benefits attributable to the asset will flow to the enterprise and where its cost can be reliably measured. Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization/depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets. Subsequent expenditure relating to intangible assets is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

e) Depreciation

Depreciation on Property, Plant and equipment is provided on straight line Method in accordance with the rates and in the manner provided in the schedule II to the Companies Act, 2013 Depreciation on addition to tangible assets is provided on pro-rata basis from the date the assets are ready for intended use. Depreciation on sale/discard of tangible assets is provided for upto the date of sale, deduction or discard of tangible assets as the case may be. The Company has adopted Schedule II to the Companies Act, 2013 which requires identification and determination of separate useful life for each major component of the property, plant and equipment, if they have useful life that is materially different from that of the remaining asset.

Particulars	Year ended March 31, 2022 (Useful life in years)	Year ended March 31, 2021 (Useful life in years)
Computer & Data processing units	3	3
Electrical Fittings	10	10
Furniture & fixtures	10	10
Servers & Networks	6	6
Plant & Machinery	15	15
Factory Buildings	30	30
Office equipment	5	5
Motor Vehicles	8	8

f) Investments

Investments that are readily realizable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution is made to recognize a decline, other than temporary, in the value of the investments. Such reduction if any is determined and made for each investment individually. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.



g) Inventories

Inventories are stated at lower of cost and net realizable value. However, these items are considered to be realizable at replacement cost if the finished goods, in which they will be used, are expected to be sold below cost. Cost includes purchase price, (excluding those subsequently recoverable by the enterprise from the concerned revenue authorities), freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. Cost is determined on the weighted average basis. The cost of raw materials, stores and spares and other consumables comprises cost of material and includes all applicable costs incurred in bringing goods to their present location and condition.

Work in progress and manufactured finished goods are valued at the lower of cost and net realizable value. Cost of work in progress and manufactured finished goods is determined on the weighted average basis and comprises direct material, Cost of conversion and other costs incurred in bringing these inventories to their present location and condition. Cost of traded goods is determined on a weighted average basis.

Provision of obsolescence on inventories is considered on the basis of management's estimate based on demand and market of the inventories.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale. The comparison of cost and net realizable value is made on item by item basis.

h) Revenue Recognition

Revenue is recognized only when risks and rewards incidental to ownership are transferred to the customer, it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operations includes sale of goods & services excluding taxes, discounts and corresponding foreign exchange gain/loss.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable. Rental income is recognized in the Statement of Profit and Loss as per the terms of contract over the lease term.

Income from duty drawback is recognized as income when the right to receive credit as per the terms of the scheme is established in respect of the exports made and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

Revenue in respect of other income is recognized when a reasonable certainty as to its realization exists.

i) Taxation

Tax expense comprises of current tax and deferred tax. Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income-tax Act, 1961. Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts, and there is an intention to settle the asset and the liability on a net basis.

Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed at each balance sheet date and are written-down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized. At each reporting date, the Company reassesses the unrecognized deferred tax assets, if any.



j) Borrowing Costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial period of time to get ready for its intended use or sale are capitalized until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognized as expenditure in the period in which they are incurred.

k) Foreign currency translation

The functional currency and presentation currency of the company is Indian Rupee.

Initial recognition:

Foreign currency transactions are recorded in the reporting currency by applying the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent recognition:

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when such values were determined.

Exchange differences:

Exchange differences arising on the settlement of monetary items or on reporting the Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they occur.

l) Provisions, Contingent Liabilities and Contingent Assets

Provision is recognised in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

m) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average numbers of equity shares are adjusted for events such as bonus issue, bonus element in the rights issue, share split and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are deemed to be converted as of the beginning of the year unless they have been issued at a later date. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented.



29. Contingent Liabilities and Commitments

(Amount in INR lakhs.)

Particulars	As at March 31, 2022	As at March 31, 2021
(A) Contingent Liabilities		
In respect of other Legal Matters (Refer note a)	2,265.30	2197.08
In respect of Customs Duty (Refer note b)	718.33	718.33
(B) Commitment		
(i) Capital Commitment		
Estimated Amount of contracts remaining to be executed on capital account.	5,100.00	1,380.00
(ii) Other Commitment		
Unspent Corporate Social Responsibility as on 31 st March 2022. (Refer Note c)	83.12	30.49

(a) The Company has placed an order on Hamuel Maschinenbau GmbH & Co in June 2016 for supply of 14 machines and 4 machines were delivered in Feb 2017. The company has found Hamuel Maschinenbau GmbH & Co machinery were defective and requested Hamuel Maschinenbau GmbH & Co to repair the purchased machinery. Hamuel Maschinenbau GmbH & Co has declined the request for repair. Azad Engineering Private Limited has filed the case and at present the matter is sub judice & is expected to be settled at \$30 lakhs (PY: \$30 lakhs).

(b) The Company has imported Raw Material and Capital Goods under Advance and EPCG authorization received from DGFT without payment of custom duty for which all export obligations have been fulfilled. The company has received intimation from Customs towards payment of duty amounting to INR 718.33 lakhs. However due to the norms which are pending for finalization by the authorities, the company has not accepted this claim.

(c) Company has an unspent amount of Rs. 30.49 Lakhs pertaining to FY 20-21 which cumulates total unspent amount of Rs.83.12 lakhs as on FY 21-22. The company has transferred the amount remaining unspent in respect of ongoing projects to a special account in December 2022.

30. Pending Litigations

(Amount in INR lakhs.)

Particulars	As at March 31, 2022	As at March 31, 2021
Direct Tax Matter & Appeal	67.48	7.48

31. Value of Imports calculated on C.I.F basis

(Amount in INR lakhs.)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Raw material	2,490.08	1,817.90
Stores and spares	9.38	1.11
Capital goods	1,802.50	1,007.06
Total Value of Imports calculated on C.I.F basis	4,301.96	2,826.07



32. Expenditure in Foreign Currency (On Accrual basis)

(Amount in INR lakhs.)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest paid	294.59	238.55
Legal and professional fees	173.85	205.15
Total Expenditure in foreign currency	468.44	443.70

33. Earnings in Foreign Currency (on accrual basis)

(Amount in INR lakhs.)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Exports at F.O.B. Value	15,110.82	10,073.27
Total Earning in foreign currency	15,110.82	10,073.27

34. Earnings per Share (EPS)

(Amount in INR lakhs.)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit/ (loss) after tax	2,797.49	1,351.45
Less: dividends on convertible preference shares & tax thereon	-	-
Net profit/ (loss) for calculation of basic EPS	2,797.49	1,351.45
Net profit as above	2,797.49	1,351.45
Add: dividends on convertible preference shares & tax thereon	-	-
Add: interest on bonds convertible into equity shares (net of tax)	-	-
Net profit/ (loss) for calculation of diluted EPS	2,797.49	1,351.45
Continuing operations		
Profit/ (loss) after tax	2,797.49	1,351.45
Less: dividends on convertible preference shares & tax thereon	-	-
Net profit/(loss) for calculation of basic EPS	2,797.49	1,351.45
Net profit as above	2,797.49	1,351.45
Add: dividends on convertible preference shares & tax thereon	-	-
Add: interest on debenture bonds convertible into equity shares (net of tax)	91.18	-
Net profit/ (loss) for calculation of diluted EPS	2,888.67	1,351.45



Particulars	For the year ended March 31, 2022 Number of shares	For the year ended March 31, 2021 Number of shares
Weighted average number of equity shares in calculating basic EPS	15,13,200	15,13,200
Effect of dilution:		
Convertible preference shares	-	-
Convertible Debenture bonds	62,425	-
Stock options granted under ESOP	-	-
Weighted average number of equity shares in calculating diluted EPS	15,75,625	15,13,200
Basic EPS (in INR)		
Computed on the basis of profit from continuing operations	184.90	89.32
Computed on the basis of total profit for the year (in INR)	184.90	89.32
Diluted EPS (in INR)		
Computed on the basis of profit from continuing operations	183.34	89.32
Computed on the basis of total profit for the year (in INR)	183.34	89.32

35. In accordance with the Accounting Standard-15 'Employee Benefits', the Company has calculated the various benefits provided to employees as under:

A. Defined contribution plans

- a) Provident fund
- b) Employee State Insurance Fund

During the period the Company has recognized the following amounts in the Statement of profit and loss:-

(Amount in INR lakhs.)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Employers Contribution to Provident fund	110.71	77.98
Employers Contribution to Employee state insurance	35.81	8.13

B. Defined benefit plans and Other long-term benefits

- a) Contribution to gratuity funds - Employee's gratuity fund (Defined benefit plan)

In accordance with Accounting Standard 15, an actuarial valuation was carried out in respect of the aforesaid defined benefit plans based on the following assumptions.



i. Actuarial assumptions

Particulars	Employee gratuity (unfunded)	
	March 31, 2022	March 31, 2021
Discount rate (per annum)	7.32%	-
Expected Rate of increase in compensation levels	5.00%	-
Expected Rate of return on plan assets.	0%	-
Mortality Rate	IALM (2012-14) Ult.	-
Retirement age	58 Years	-
Average attained age	29.94	-
Withdrawal Rate	NA	-

The discount rate assumed is 7.32% per annum which is determined by reference to market yield at the Balance Sheet date on government bonds. The estimate of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

i. Changes in the present value of the defined benefit obligation in respect of Gratuity (unfunded) are as follows:

(Amount in INR lakhs.)

Particulars	As at March 31, 2022	As at March 31, 2021
Present value obligation as at the beginning of the year	162.79	-
Interest cost	11.92	-
Current service cost	63.38	-
Benefits paid	(12.02)	-
Acquisition cost	-	-
Actuarial loss/(gain) on obligations	19.27	-
Present value obligation as at the end of the year	245.34	-

ii. Changes in the fair value of plan assets

(Amount in INR lakhs.)

Particulars	As at March 31, 2022	As at March 31, 2021
Fair value of plan assets as at the beginning of the year	-	-
Expected return on plan assets	-	-
Contributions	12.02	-
Benefits paid	(12.02)	-
Actuarial gain/ (loss) on plan assets	-	-
Fair value of plan assets as at the end of the year	-	-



iii. Reconciliation of present value of defined benefit obligation and fair value of assets

(Amount in INR lakhs.)

Particulars	As at March 31, 2022	As at March 31, 2021
Present value obligation as at the end of the year	245.34	-
Fair value of plan assets as at the end of the year	-	-
Funded status/(deficit) or Unfunded net liability	(245.34)	-
Unfunded net liability recognized in balance sheet	-	-
Amount classified as:		
Short term provision (Refer note 11)	20.17	-
Long term provision (Refer note 7)	225.17	162.79

iv. Expenses recognized in Statement of profit and loss

(Amount in INR lakhs.)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current service cost (including risk premium for fully insured benefits)	63.38	-
Interest cost	11.92	-
Deficit in acquisition cost recovered	-	-
Expected return on plan assets	-	-
Net actuarial loss/(gain) recognized during the year	19.27	-
Total expense recognized in Statement of profit and loss	94.57	11.63

v. Investment details of the Plan Assets

(Amount in INR lakhs.)

Particulars	As at March 31, 2022	As at March 31, 2021
Government of India Securities	-	-
Corporate Bonds	-	-
Insurer Managed Fund	-	-
Special Deposit Scheme	-	-
Others	-	-
Total fund balance	-	-

General Description of the Plan

The Company operates gratuity plan through a trust wherein every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service. The same is payable on termination of service or retirement, whichever is earlier. The benefit vests after five years of continuous service. In case of some employees, the Company's scheme is more favorable as compared to the obligation under Payment of Gratuity Act, 1972.



vi. Net assets/liability and actuarial experience gain/(loss) for present benefit obligation ('PBO') and plan assets

(Amount in INR lakhs.)

Particulars	As at March 31, 2022	As at March 31, 2021
PBO	245.34	-
Plan assets	-	-
Net assets/(liability)	(245.34)	-
Experience gain/(loss) on PBO	19.27	-
Experience gain/(loss) on plan assets	-	-
Actuarial gain due to change in assumptions	-	-

vii. Employer's best estimate for contribution during next year

(Amount in INR lakhs.)

Particulars	Amount
Employees gratuity fund	68.02

36. Related Party Disclosures

In accordance with the requirement of Accounting Standard (AS)- 18 on "Related Party Disclosures" the names of the related parties where control exists /able to exercise significant influence along with the aggregate transactions/year end balances with them as identified and certified by the management are given below

(a) Names of the Related Parties and Related Party Relationship

i. Other related parties with whom transactions have been taken place during the period

Relationship	Name of Party
Subsidiary Companies	1.Swastik Coaters Pvt Ltd 2.Agen Metcast Pvt Ltd (Ceased to be a subsidiary with effect from 18-06-2021) 3. Rouland Chemicals Pvt Ltd.
Associate companies	-
Entities under common control of any Individual	1.Forgen Power Parts Private Limited 2.Ohri Industries Private Limited 3.Azad Synergies Private Limited 4.Radhe Creations Private Limited 5.Atlas Fasteners 6.Agrima Logi Park
Key Management Personnel and their relative:	Director - Rakesh Chopdar Director - Jyoti Chopdar Company Secretary- Ful Kumar Gautam

(b) Transactions with the Related Parties

(Amount in INR lakhs.)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Rental Expense		
Swastik Coaters Pvt Ltd.	1.20	-
Rouland Chemicals Pvt Ltd.	1.20	-



Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Company Secretary's Salary & Incentives	12.06	9.94
Director's Remuneration & Incentives		
Rakesh Chopdar	411.19	193.00
Jyoti Chopdar	138.72	65.25

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Sales		
Deepak Chopdar	-	1.49

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Purchases		
Deepak Chopdar	-	21.58

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Rental Income		
Atlas Fasteners	0.80	0.80

Particulars	As at & For the year ended March 31, 2022	As at & For the year ended March 31, 2021
Loans & Advances (Assets)		
Loans Amount Repaid		
Agen Metcast Pvt Ltd.	5.00	2.50
Loans & Advances (Liability)		
Loan Amount Received		
Rakesh Chopdar	-	72.97
Jyoti Chopdar	-	136.00
Loan Amount Repaid		
Rakesh Chopdar	44.63	-
Jyoti Chopdar	48.01	77.83

(c) Outstanding balances

(Amount in INR lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Loans Payable		
Rakesh Chopdar-Loan	-	(44.64)
Jyoti Chopdar-Loan	(66.63)	(114.64)
Loans and Advances Receivable		
Rouland Chemicals Pvt Ltd	48.93	48.93
Forgen Power Parts Pvt. Ltd.	43.15	43.15
Agen Metcast Pvt Ltd.	93.00	98.00
Rent Payable		
Rouland Chemicals Pvt Ltd	1.20	-
Swastik Coaters Pvt Ltd	1.20	-



37. Statement of un-hedged foreign currency exposure**Foreign Currency Exposure which are not hedged**

Pursuant to the announcement on "Disclosure regarding Derivatives Instruments" issued by the Institute of Chartered Accountants of India, the Company has the following foreign currency exposures that are not hedged by a derivative instrument or otherwise as at March 31, 2022:

March 31, 2022

Particulars	Currency	Foreign Currency	Amount in INR lakhs
Trade Receivables	USD	68.82	5,221.94
Trade Receivables	EUR	16.62	1,399.94
Trade Payables	USD	0.60	45.50
Trade Payables	EUR	2.25	189.75
Trade Payables	CHF	0.10	8.20
Loans	USD	110.80	8405.15
Loans	EUR	4.80	404.05
Loans	JPY	7.13	453.52

March 31, 2021

Particulars	Currency	Foreign Currency	Amount in INR lakhs
Trade Receivables	EUR	10.17	875.40
Trade Receivables	USD	43.07	3,165.63
Trade Payables	EUR	1.62	139.75
Trade Payables	USD	0.23	16.85
Trade Payables	GBP	0.02	2.07
Trade Payables	CHF	0.22	17.02
Loans	USD	41.70	3,065.17
Loans	EUR	21.40	1,842.60
Loans	JPY	6.83	453.52

38. Imported and indigenous raw materials, components and spare parts consumed

Particulars	% of total consumption March 31, 2022	Value INR (in lakhs) March 31, 2022	% of total consumption March 31, 2021	Value INR (in lakhs) March 31, 2021
Raw Materials				
Imported	60%	2,244.84	67%	1,495.87
Indigenously obtained	40%	1,516.19	33%	720.53
Spare parts				
Imported	2%	17.15	1%	4.80
Indigenously obtained	98%	840.41	99%	475.45



39. In the opinion of the board of directors of the company and to the best of their knowledge and belief, the value of current assets, loans and advances, in the ordinary course of business is not less than the amount at which they are stated in the balance sheet.

40. Segment Information:

The Company operates only in one business segment i.e, Manufacturing of Steam ,Gas & Aero Turbine Parts. Hence no separate disclosure is provided.

Information by Geographies

In presenting geographic information, segment revenue has been based on the location of the customer and segment assets are based on geographical location of assets.

a) Revenue from Geographical Market

(Amount in INR lakhs)

Segment Revenue	For the year ended March 31, 2022	For the year ended March 31, 2021
India	4,187.84	1,977.84
Outside India	15,130.81	10,073.27
Total	19,318.65	12,051.11

b) Carrying Amount of Segment Assets

(Amount in INR lakhs)

Segment Assets	As at March 31, 2022	As at March 31, 2021
India	35,354.31	21,456.02
Outside India	5,294.82	4,515.20
Total	40,649.13	25,971.22

c) Revenue from Major Customers

Details of external customers from whom the Company receives more than 10% of the revenue. Revenue from one customer of the Company is more than 10% of the total revenue aggregating to INR 4,238.53 lakhs.



41. The Social Security Code, 2020

The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued. The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

42. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification (or) disclosure.

For M S K A & Associates
Chartered Accountants
Firm Registration No.:105047W

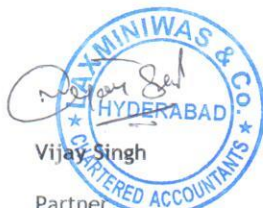


Ananthkrishnan Govindan

Partner
Membership No:205226
UDIN:22205226BGKHKZ6744

Place: Hyderabad
Date: 29-12-2022

For Laxminiwas & Co
Chartered Accountants
Firm Registration No.:0111685



Vijay Singh

Partner
Membership No.: 221671
UDIN:22221671BGKCTV3359

Place: Hyderabad
Date: 29-12-2022

For and on behalf of the Board of Directors of
Azad Engineering Private Limited
CIN: U74210TG1983PTC004132



Rakesh
Chopdar
Director
DIN:01795599

Place: Hyderabad
Date: 29-12-2022



Jyoti Chopdar
Director
DIN: 03132157



FulKumar Gauntam
Company Secretary
Mno.BBBPG5135K



3. Share Capital

Particulars	As at 31st March 2022		As at 31st March 2021	
	Number	(in lakhs)	Number	(in lakhs)
<u>Authorised</u>				
16,00,000 (previous year :16,00,000)Equity shares of Rs.10 each	16,00,000	160.00	16,00,000	160.00
8,40,000 (previous year:8,40,000) 8% Non-Cumulative Redeemable Preference Shares of Rs. 100/- each	8,40,000	840.00	8,40,000	840.00
Equity Share Capital	16,00,000	160.00	16,00,000	160.00
8% Non-Cumulative Redeemable Preference Shares	8,40,000	840.00	8,40,000	840.00
<u>Issued, Subscribed and fully Paid up Capital</u>				
<u>Equity Share Capital</u>				
15,13,200 (previous year:15,13,200) Equity shares at Rs.10 par value	15,13,200	151.32	15,13,200	151.32
<u>Preference Share Capital</u>				
Nil (previous year: 3,90,000) 8% Non-Cumulative Redeemable Preference Shares of Rs. 100 each	-	-	3,90,000	390.00
	15,13,200	151.32	19,03,200	541.32

(a) Reconciliation of the number of equity shares & Non- Cumulative Redeemable Preference Shares outstanding is set out below:

Particulars	As at 31st March 2022		As at 31st March 2021	
	Number	(in lakhs)	Number	(in lakhs)
Equity Shares outstanding at the beginning of the year	15,13,200	151.32	15,13,200	151.32
Non- Cumulative Redeemable Preference Shares outstanding at the beginning of the year	3,90,000	390.00	3,90,000	390
Non- Cumulative Redeemable Preference Shares redeemed at par value during the year	(3,90,000)	(390.00)	-	-
Equity Shares outstanding at the end of the year	15,13,200	151.32	15,13,200	151.32
Non- Cumulative Redeemable Preference Shares outstanding at the end of the year	-	-	3,90,000	390

*Preference Shares were redeemed vide Board Resolution dated 1st July 2021.

As at the end of 31st March 2022, the Company has only one classes of shares, equity shares having a value of Rs.10/- per each share respectively. Each holder of equity shares is entitled to one vote per share.

During the year ended 31st March, 2022 no dividend is declared by Board of Directors.



(b) The details of shareholder holding more than 5% shares is set below:

Name of Shareholder	As at 31st March 2022		As at 31st March 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares				
Rakesh Chopdar	15,06,800	99.58	15,06,800	99.58
8% Non cumulative redeemable Preference Shares				
Shreesay Realtors (Pvt) Limited	-	-	1,00,000	25.65
A & A Capital Services (Pvt) Limited	-	-	50,000	12.82
Jahangirabad Finance Co. (Pvt) Limited	-	-	1,50,000	38.46
Sigtia Constructions Private Limited	-	-	35,000	8.97
Golden Beach Infracon Private Limited	-	-	55,000	14.10

As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(c) Details of Shares held by Promoters at the end of the year

Details of Shares held by Promoters at the end of the year	As at 31st March 2022			As at 31st March 2021		
	No. Of Shares	% of total shares	% Change during the year*	No. Of Shares	% of total shares	% Change during the year*
Promoter name						
Rakesh Chopdar	15,06,800	99.58%	-	15,06,800	99.58%	-
Jyoti Chopdar	4,800	0.31%	-	4,800	0.31%	-
Shakuntala Chopdar	1,600	0.11%	-	1,600	0.11%	-
Total	15,11,600	100%	-	15,11,600	100%	-

4. Reserves & Surplus

Particulars	As at 31st March 2022	As at 31st March 2021
	(in lakhs)	(in lakhs)
A. Securities Premium Reserve		
Opening Balance	29.70	29.70
Add : Securities premium credited on share issue	-	-
Less : Premium utilized	-	-
Closing balance (A)	29.70	29.70
B. Surplus		
Opening Balance	9,567.50	8,499.02
Add: Net Profit/(Net Loss) for the current year	2,797.49	1,351.45
Less: Interest on Income Tax pertains to previous years / Prior Period	-	(131.36)
Less: Provision for gratuity pertains to earlier years	-	(151.61)
Less : Transfer to Capital Redemption Reserve	(390.00)	-
Closing balance (B)	11,974.99	9,567.50
C. Capital Redemption Reserve*		
Opening balance	-	-
Add: Current year transfer from	390.00	-
Less: Utilization on account of / Transfer to	-	-
Closing balance (C)	390.00	-
Total (A+B+C)	12,394.69	9,597.20

* During the year , the company has redeemed preference shares and transferred the nominal value of shares redeemed to Capital redemption reserve as required under the provisions of Companies Act,2013



NON - CURRENT LIABILITIES

5. Long term borrowings

Particulars	As at 31st March 2022	As at 31st March 2021
Secured		
(a) Debentures		
Optionally Convertible Debentures (OCDs) (Previous Year: NIL) 14 % Debentures of Rs. 1,00,000 each redeemable at premium at minimum assured XIRR of 20% on July 01, 2028	4,200.00	-
Compulsorily Convertible Debentures (CCDs) (Previous Year: NIL) 10 % Debentures of Rs. 1,00,000 each redeemable at premium on at minimum assured XIRR of 18% on July 07, 2028	1,800.00	-
(b) Term loans		
From Banks		
Term Loans	6,593.67	4,459.95
Vehicle Loans	151.67	166.91
From other parties		
Term Loans	1,478.47	530.34
Unsecured		
Loan from Related Parties	66.63	159.28
Total long term borrowings including its current maturities	14,290.44	5,316.48
Less: Amount disclosed under the head "Other current liabilities" (note 10)	2,082.35	1,641.30
Total non current maturities of long term borrowings	12,208.09	3,675.18

***Terms of Redemption for debentures**

14 % Optionally Convertible Debentures (OCDs) are redeemable at premium at the minimum assured XIRR of 20% at the end of seven years from the date of drawdown, viz., 1st July 2021.

Interest of 14% per annum on Optionally Convertible Debentures is Payable Quarterly

10 % Compulsorily Convertible Debentures (CCDs) are redeemable at premium at the minimum assured XIRR of 18% at the end of seven years from the date of drawdown, viz., 7th July 2021.

Interest of 10% per annum on Compulsorily Convertible Debentures is Payable Quarterly with Quarterly hike of 2% after 36months to be capped at 20% per annum

***Terms of repayment of term loans taken during the year**

1. Term loan from financial institution (UBI) was taken during the financial year 2021-22 and carry interest @ 5.14 % p.a. The loan is repayable in 20 quarterly installments of Rs. 50.00 lakhs each payable from Sept'22 along with interest payable monthly from the date of loan.

2. Term loan from financial institution (IndusInd) was taken during the financial year 2021-22 and carry interest @ 7.50 % p.a. The loan is repayable in 20 installments of Rs. 99.84 lakhs each payable from March'23 along with interest payable monthly from the date of loan.

3. Term loan from Non-banking financial institution (TATA) was taken during the financial year 2021-22 and carry interest @ 11.50 % p.a. The loan is repayable in 48 installments of Rs. 2.08 lakhs each payable from April'24 along with interest payable monthly from the date of loan.

4. Term loan from Non-banking financial institution (TATA) was taken during the financial year 2021-22 and carry interest @ 11 % p.a. The loan is repayable in 60 installments of Rs. 17.95 lakhs each payable from Feb'22 along with interest payable monthly from the date of loan.



Azad Engineering Private Limited

Notes forming part of the Financial Statements for the year ended 31st March, 2022

All amounts are in INR lakhs unless otherwise stated

***Terms and conditions of loans and nature of security**

Loan	Outstanding Amount as at 31/03/2022	Outstanding Amount as at 31/03/2021	Number of instalments remaining as on 31/03/2022	Number of instalments	Repayment start date
TATA					
Term Loan 1	378.82	530.34	28/ Monthly	60/ Monthly	15-08-2019
Term Loan 2	100.00	-	47/ Monthly	48/ Monthly	05-04-2024
Term Loan 3	987.25	-	58/ Monthly	60/ Monthly	15-02-2022
Term Loan 4	12.86	-	02/ Monthly	02/ Monthly	15-08-2024
UBI					
Term Loan 1	1,000.00	-	20/ Quarterly	20/ Quarterly	01-10-2022
Term Loan 2	1,375.00	793.38	21/ Quarterly	24/ Quarterly	30-09-2021
Term Loan 3	746.67	1,094.28	7/ Quarterly	16/ Quarterly	31-03-2019
IndusInd					
Term Loan 1	1,877.16	-	20/ Quarterly	20/ Quarterly	31-03-2023
Term Loan 2	404.05	-	03/ Quarterly	04/ Quarterly	28-02-2022
ICICI					
Term Loan 1	799.77	1,084.65	8/ Quarterly	20/ Quarterly	30-06-2020

* All the above loans carry interest within the range of 3.80% to 11.50% per annum as at March 31, 2022

***The Term loans from Banks are secured as under:**

Charge on industrial land admeasuring 5,178.80 Square Yards along with building at Plot No. 90/C, Phase -1, IDA, Jeedimetla,Hyderabad-500055 Telangana-owned by Swastik Coaters Pvt Ltd, a subsidiary; Charge on industrial land admeasuring 5,391.76 Square Yards along with building at Plot No. 90/D, Phase -1, IDA Jeedimetla, Hyderabad-500055 Telangana-owned by Rouland Chemicals Pvt Ltd,a subsidiary ; Charge on industrial land admeasuring 8,831 Square Yards along with building at Plot No. 17 B, Phase -III, Industrial Park, Sy .No 163& 164 TSIC IALA, Pashamylaram, Medak, Telangana; Pari -passu charge on Hypothecation of plant and other fixed assets purchased and to be purchased out of bank finance (Both Present & Future),paid stock, receivables and all other current asset of the Company.

Further, the loan has been guaranteed by the Personal guarantee of Directors (Rakesh Chopdar & Jyoti Chopdar) and Corporate Guarantee of Subsidiaries (Rouland Chemicals Pvt Ltd and Swastik Coaters Pvt Ltd) .

*** Purpose and utilization of loans**

Particulars of Loans	Purpose (as per Loan Agreement)	Whether used for the purpose stated in the loan Agreement	If no, mention the purpose for which it is utilised
UBI (Foreign Currency Term Loan)	Equipment Finance (CNC Lathe Machine)	Yes	-
IndusInd (Term Loan)	Equipment Finance	Yes	-
TATA (Term Loan)	Equipment Finance	Yes	-
TATA (Term Loan)	Equipment Finance	Yes	-

*** Repayment schedule as at March 31, 2022**

Particulars	As at 31/03/2022	As at 31/03/2021
Within one year (Rs.)	2,069.76	1,641.30
After one year but not more than 3 years (Rs.)	3,527.41	972.26
More than 3 years (Rs.)	2,627.21	902.34
Total	8,224.38	3,515.90



6. Deferred Tax Liabilities(Net)

Particulars	As at 31st March 2022	As at 31st March 2021
Deferred Tax Liabilities	853.56	686.64
Total	853.56	686.64

Movement During the year ended March 31,2022

Particulars	April 1,2021	Recognised/(reversed)in profit and loss	Closing Balance
Deferred Tax asset in relation to:			
Provision for gratuity and leave encashment	-	25.00	25.00
Provision for Bonus	-	33.79	33.79
Provision for Inventory	-	3.18	3.18
Others	-	3.31	3.31
Total (A)	-	65.28	65.28
Deferred Tax liability in relation to:			
Property,Plant and Equipments	686.64	232.20	918.84
Total (B)	686.64	232.20	918.84
Deferred tax liabilities(Net) (A-B)	686.64	166.92	853.56

Movement During the year ended March 31,2021

Particulars	April 1,2020	Recognised/(reversed)in profit and loss	Closing Balance
Deferred Tax liability in relation to:			
Property,Plant and Equipments	543.55	143.09	686.64
Deferred tax liabilities(Net)	543.55	143.09	686.64

7. Long-term Provisions

Particulars	As at 31st March 2022	As at 31st March 2021
Provision for Employee Benefits (Refer Note 35)		
-Provision for gratuity (unfunded)	225.17	162.79
Total	225.17	162.79

CURRENT LIABILITIES

8. Short Term borrowings

Particulars	As at 31st March 2022	As at 31st March 2021
Secured		
From Banks - (Loans repayable on demand)		
Working Capital Loans	5,380.21	2,988.99
Total	5,380.21	2,988.99

1. Charge on industrial land admeasuring 5,178.80 Square Yards along with building at Plot No. 90/C, Phase -1, IDA, Jeedimetla,Hyderabad-500055 Telangana-owned by Swastik Coaters Pvt Ltd, a subsidiary; Charge on industrial land admeasuring 5,391.76 Square Yards along with building at Plot No. 90/D, Phase -1, IDA Jeedimetla, Hyderabad-500055 Telangana-owned by Rouland Chemicals Pvt Ltd,a subsidiary ; Charge on industrial land admeasuring 8,831 Square Yards along with building at Plot No. 17 B, Phase -III, Industrial Park, Sy .No 163& 164 TSIIIC IALA, Pashamylaram, Medak, Telangana; Pari -passu charge on Hypothecation of plant and other fixed assets purchased and to be purchased out of bank finance (Both Present & Future),paid stock, receivables and all other current asset of the Company. Further, the loan has been guaranteed by the Personal guarantee of Directors (Rakesh Chopdar & Jyoti Chopdar) and Corporate Guarantee of Subsidiaries (Rouland Chemicals Pvt Ltd and Swastik Coaters Pvt Ltd) .

2. The monthly/quarterly returns submitted with banks are in agreement of the books of accounts

3. Loans outstanding represent packing credit and working capital demand facility availed with various banks and carry interest linked to the respective bank's prime / base lending rate and range from 2.5% to 3.00% per annum for the FY 2021-22.



9. Trade Payables

Particulars	As at 31st March 2022	As at 31st March 2021
Trade Payables**		
For Services	1,114.44	1,183.49
For Goods purchased	3,775.51	2,965.03
Total	4,889.95	4,148.52

**The company has not received any intimation from Suppliers/Service providers regarding their Small and Medium enterprises development Act 2006 and hence disclosure relating to amounts unpaid at year end together with interest payable/paid, if any, as required under the said Act have not been given. No interest, if any as required under the Act could not be given, No interest if any as required under the Act could have been provided for in the books of Accounts.

Trade Payables ageing schedule

As at 31st March 2022

Particulars	Payables Not Due	Current				
		Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Disputed dues - MSME	-	-	-	-	-	-
(iii) Others	1,761.00	2,790.76	83.83	151.74	102.62	4,889.95
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	1,761.00	2,790.76	83.83	151.74	102.62	4,889.95

As at 31st March 2021

Particulars	Payables Not Due	Current				
		Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Disputed dues - MSME	-	-	-	-	-	-
(iii) Others	7.75	3,660.65	276.03	204.09	-	4,148.52
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	7.75	3,660.65	276.03	204.09	-	4,148.52

10. Other Current liabilities

Particulars	As at 31st March 2022	As at 31st March 2021
Current Maturities of Long Term Debt	2,006.64	1,533.91
Current Maturities of Long Term Debt-Vehicle	75.72	107.39
Other Payables	803.97	1,366.35
Provision for CSR	83.12	30.49
Provision for Expenses	28.49	5.37
Interest Accrued but not due	40.19	-
Salaries Payable	394.61	371.64
Statutory Dues Payable	309.79	364.35
Total	3,742.53	3,779.50

11. Short-term Provisions

Particulars	As at 31st March 2022	As at 31st March 2021
Provision for Employee Benefits (Refer Note: 35)		
Provision for Gratuity (unfunded)	20.17	-
Provision for Leave Encashment	3.30	-
Provision for Taxation	780.13	391.06
Total	803.60	391.06



13. Non-Current Investments

Particulars	As at 31st March 2022	As at 31st March 2021
Other Investments		
In Equity Shares of Subsidiary Companies-		
Unquoted, fully paid up		
Rouland Chemicals Pvt. Ltd.	176.23	176.23
50,350 (50350) of Rs.10/- each		
Unquoted, fully paid up		
Agen Metcast Private Limited*	-	1.00
Nil (9999) of Rs.10/- each		
Unquoted, fully paid up		
Swastik Coaters Private Limited	452.03	452.03
13,150 (13150) of Rs.100/- each		
Total	628.26	629.26

*The company transferred its holdings in Agen Metcast Private Limited on 18-06-2021 Hence it is no longer its subsidiary since June 18,2021.The investment was disposed off at Acquisition Value.

14. Long-Term Loans & Advances

Particulars	As at 31st March 2022	As at 31st March 2021
(Unsecured, considered good, unless stated otherwise)		
Capital Advances		
Unsecured, considered good	5,805.14	777.10
Other Advances	133.30	111.81
Total	5,938.44	888.91

15. Other Non-Current Assets

Particulars	As at 31st March 2022	As at 31st March 2021
Unsecured (Considered good)		
Deferred Revenue Expense	825.43	762.41
Others		
Non-current bank balances	214.32	-
Security Deposit	64.77	-
Total	1,104.52	762.41

16. Inventories

Particulars	As at 31st March 2022	As at 31st March 2021
Raw Material	2,040.86	1,629.99
Semi Finished Goods(WIP)	3,014.91	1,291.32
Consumable stores, Spares & Fixtures	372.96	27.89
Less: Provision for Inventory	10.91	-
Total	5,417.82	2,949.20

17. Trade Receivables

Particulars	As at 31st March 2022	As at 31st March 2021
Considered good - Un Secured	7,565.59	5,333.31
Total Trade receivables	7,565.59	5,333.31



Azad Engineering Private Limited
Notes forming part of the Financial Statements for the year ended 31st March, 2022
All amounts are in INR lakhs unless otherwise stated
Trade Receivables Ageing Schedule

As at 31st March 2022

Particulars	Not Due	Outstanding for following periods from due date of Receipts					
		Less than 6 months	6 months - 1 year	1-2 years years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	5,672.59	1,640.47	50.66	47.18	153.99	0.70	7,565.59
(ii) Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables-considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-	-
Less: Provision for doubtful receivable (Disputed + Undisputed)	-	-	-	-	-	-	-
Total	5,672.59	1,640.47	50.66	47.18	153.99	0.70	7,565.59

As at 31st March 2021

Particulars	Not Due	Outstanding for following periods from due date of Receipts					
		Less than 6 months	6 months - 1 year	1-2 years years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	-	4,326.54	460.57	382.22	163.98	-	5,333.31
(ii) Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables-considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-	-
Less: Provision for doubtful receivable (Disputed + Undisputed)	-	-	-	-	-	-	-
Total	-	4,326.54	460.57	382.22	163.98	-	5,333.31

18. Cash and Bank Balances

Particulars	As at 31st March 2022	As at 31st March 2021
Cash and Cash equivalents		
Cash on hand	84.39	41.84
Balance with banks	357.19	124.35
Total (I)	441.58	166.19
Other bank balances		
-Current maturities		
Deposits with original maturity less than 12 months from reporting date	1,324.01	1,864.77
Total current maturities of other bank balances(II)	1,324.01	1,864.77
Total Cash and bank balances(I + II)	1,765.59	2,030.96

19. Short Term Loans and Advances

Particulars	As at 31st March 2022	As at 31st March 2021
Unsecured (Considered good)		
Loans and advances to Related Parties	185.08	190.08
Employee Advances	166.65	34.43
Advances for purchase of goods & services	701.85	209.84
Other deposits & Advances	153.89	46.62
Total	1,207.47	480.97

20. Other current assets

Particulars	As at 31st March 2022	As at 31st March 2021
(Unsecured considered good)		
Balance with Govt Authorities	657.01	944.90
Other receivables	95.81	385.47
Deferred Revenue Expense	159.83	159.82
Total	912.65	1,490.19



Azad Engineering Private Limited

Notes forming part of the Financial Statements for the year ended 31st March, 2022

All amounts are in INR lakhs unless otherwise stated

12. Property, Plant & Equipment- Tangible assets

Particulars	Gross Block				Depreciation				Net Block	
	As at 1 April 2021	Additions	Deductions	As at 31 March 2022	As at 1 April 2021	For the year	Deductions	As at 31 March 2022	As at 31 March 2022	As at 31 March 2021
Land	128.76	1,983.83	-	2,112.59	-	-	-	-	2,112.59	128.76
Factory Buildings *	1,037.45	59.27	-	1,096.72	128.58	42.26	-	170.84	925.88	908.87
Plant & Machinery	12,587.95	3,094.32	-	15,682.27	3,373.39	884.30	-	4,257.69	11,424.58	9,214.56
Electrical Fittings	469.67	42.31	-	511.98	150.59	112.92	-	263.51	248.47	319.08
Furniture & Fixtures	225.13	45.29	-	270.42	98.74	21.79	-	120.53	149.89	126.39
Computer & Data processing Units	343.56	86.82	-	430.38	226.05	94.45	-	320.50	109.88	117.51
Servers & Networks	111.98	144.48	-	256.46	46.17	39.14	-	85.31	171.15	65.81
Office Equipment	219.02	75.47	-	294.49	103.03	37.98	-	141.01	153.48	115.99
Motor Vehicles	651.84	120.57	-	772.41	242.81	98.54	-	341.35	431.06	409.03
Total	15,775.36	5,652.36	-	21,427.72	4,369.36	1,331.38	-	5,700.74	15,726.98	11,406.00
Previous year	13,590.19	2,185.15	-	15,775.34	3,482.00	887.35	-	4,369.35	11,405.99	10,108.19
Capital Work in Progress**	-	381.80	-	381.80	-	-	-	-	381.80	-

*Includes factory building situated on the leasehold land, which is owned by Rouland Chemicals Pvt Ltd & Swastik Coaters Pvt Ltd, a wholly owned subsidiaries.

**Refer Capital Work In Progress Ageing Schedule in Note 43.



Azad Engineering Private Limited
Notes forming part of the Financial Statements for the year ended 31st March, 2022
All amounts are in INR lakhs unless otherwise stated

21. Revenue from Operations

Particulars	For the Year Ended 31 March 2022	For the Year Ended 31 March 2021
Sale of products-Finished Goods	11,714.06	7,399.11
Sale of Services - Job work	6,820.83	4,388.65
Other Operating revenue - Scrap sales	783.77	263.35
Total	19,318.66	12,051.11

22. Other Income

Particulars	For the Year Ended 31 March 2022	For the Year Ended 31 March 2021
Government Incentives	128.04	192.56
Gain on foreign exchange transactions	-	109.56
Interest Income	76.49	60.91
Miscellaneous income	12.85	52.93
Liabilities no longer required written back	244.45	-
Total	461.83	415.96

23. Cost of Materials Consumed

Particulars	For the Year Ended 31 March 2022	For the Year Ended 31 March 2021
Opening Stock of Raw material	1,629.99	1,152.84
Add: Purchases	4,171.90	2,693.55
	5,801.89	3,846.39
Less: Closing Stock of Raw material	2,040.86	1,629.99
Total	3,761.03	2,216.40

24.Changes in Inventories

Particulars	For the Year Ended 31 March 2022	For the Year Ended 31 March 2021
Inventory at the beginning of the year	1,319.21	477.97
Inventory at the end of the year	3,014.91	1,319.21
(Increase)/ Decrease in inventory of WIP	(1,695.70)	(841.24)

Total Material Consumed	2,065.33	1,375.16
--------------------------------	-----------------	-----------------



Azad Engineering Private Limited
Notes forming part of the Financial Statements for the year ended 31st March, 2022
All amounts are in INR lakhs unless otherwise stated

25. Employee Benefit Expenses

Particulars	For the Year Ended 31 March 2022	For the Year Ended 31 March 2021
Salaries, wages, bonus and other allowances	4,346.48	3,029.14
Contribution to provident and other funds	146.52	86.11
Staff Welfare & Other Expense	128.09	35.25
Gratuity	94.57	11.63
Leave Encashment	3.30	-
Total	4,718.96	3,162.13

26. Finance Costs

Particulars	For the Year Ended 31 March 2022	For the Year Ended 31 March 2021
Interest on Term Loans	743.50	193.81
Interest on Working Capital	143.33	151.76
Bank Charges	135.28	4.74
Other Borrowing Costs	246.60	138.60
Total	1,268.71	488.91

27. Depreciation

Particulars	For the Year Ended 31 March 2022	For the Year Ended 31 March 2021
Depreciation (Refer Note 12)	1,331.38	887.35
Total	1,331.38	887.35



Azad Engineering Private Limited
Notes forming part of the Financial Statements for the year ended 31st March, 2022
All amounts are in INR lakhs unless otherwise stated

28. Other Expenses

Particulars	For the Year Ended 31 March 2022	For the Year Ended 31 March 2021
Manufacturing Expenses		
Stores and Spares consumed	857.56	480.25
Job work charges	1,586.94	1,103.92
Repairs to Machinery	68.58	60.72
Tools	1,473.39	1,067.57
Transportation Charges	558.38	400.52
Power and Fuel	684.28	559.07
Inspection and Testing	49.19	36.12
Selling and distribution expenses		
Sales Commission	17.94	-
Business Promotion	9.39	20.00
Establishment Expenses		
Office & Other Repairs & maintenance	22.67	36.32
Telephone charges	11.24	11.54
Insurance	55.35	38.26
Travelling and Conveyance Expenses	48.67	24.67
Rent	54.08	5.80
Rates and Taxes	191.32	176.02
Loss on foreign exchange transactions and translations other than those considered as finance cost (net)	18.15	-
Professional & Consultancy fees	347.07	295.93
Printing , Stationary, Postage and Courier	6.38	22.41
Provision for Inventories	10.91	-
Provision for CSR Expenses	52.63	53.30
Auditors Remuneration-Statutory Audit*	18.00	5.00
Discount on Sales	-	0.00
Security Charges	102.74	72.67
Outsourced Manpower Cost	258.73	150.40
General expenses	61.27	23.57
Total	6,564.86	4,644.06

*As auditor:	As at 31st March 2022	As at 31st March 2021
Statutory audit	15.50	3.50
In other capacity:		
Tax audit	2.50	1.50
Total	18.00	5.00



43 Capital-Work-in Progress (CWIP)

(a) For Capital-work-in progress ageing schedule

As at March 31, 2022

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress*	381.80	-	-	-	381.80
Projects temporarily suspended	-	-	-	-	-

*CWIP comprises of interest capitalized amounting to Rs 381.80 lakhs

As at March 31, 2021

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

44 Relationship with Struck off Companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956

In the opinion of the Board of Directors of the company and to the best of their knowledge and belief, The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

45 Reconciliation of quarterly returns or statements of current assets filed with banks or financial institutions

As at March 31, 2022

Quarter	Name of bank	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for material discrepancies
Jun-21	ICICI, UBI, Kotak	Stock & Debtors	9,677.16	9,677.16	-	NA
Sep-21	ICICI, UBI, Kotak	Stock & Debtors	9,885.77	9,885.77	-	NA
Dec-21	ICICI, UBI, Kotak	Stock & Debtors	12,118.22	12,118.22	-	NA
Mar-22	ICICI, UBI, Indusind	Stock & Debtors	13,808.85	13,808.85	-	NA

As at March 31, 2021

Quarter	Name of bank	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for material discrepancies
Jun-20	ICICI, UBI, Kotak	Stock & Debtors	6,261.27	6,261.27	-	NA
Sep-20	ICICI, UBI, Kotak	Stock & Debtors	6,960.97	6,960.97	-	NA
Dec-20	ICICI, UBI, Kotak	Stock & Debtors	6,723.31	6,723.31	-	NA
Mar-21	ICICI, UBI, Kotak	Stock & Debtors	8,282.51	8,282.51	-	NA

46 Registration of charges or satisfaction with Registrar of Companies

The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

47 Compliance with number of layers of companies

The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

48 Utilisation of Borrowed funds and share premium:

- (i) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the
- (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)
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (ii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether
- (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
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

49 Details of Benami Property held

The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.



Notes forming part of the Financial Statements for the year ended 31st March, 2022
All amounts are in INR lakhs unless otherwise stated

50 Key Ratios

S No.	Ratio	Formula	Particulars		31 March 2022		31 March 2021		Ratio as on		Reason (If variation is more than 25%)
			Numerator	Denominator	Numerator	Denominator	Numerator	Denominator	31-Mar-22	31-Mar-21	
(a)	Current Ratio	Current Assets / Current Liabilities	Current Assets = Inventories + Current Investment + Trade Receivable + Cash & Cash Equivalents + Other Current Assets + Contract Assets + Assets held for Sale	Current Liability = Short term borrowings + Trade Payables + Other financial Liability+ Current tax (Liabilities) + Contract Liabilities+ Provisions + Other Current Liability	16,869	14,816	12,285	11,308	1.14	1.09	Improved due to infusion of long term working capital & retained earnings plough back into the business.
(b)	Debt-Equity Ratio	Debt / Equity	Debt= long term borrowing + Short-term borrowings	Equity= Share capital + Reserve and Surplus	17,588	12,546	6,664	10,139	1.40	0.66	The company has long term growth plan for which it has acquired land and put additional capacity which has increased the liabilities in the current year.
(c)	Debt Service Coverage Ratio	Net Operating Income / Debt Service	Net Operating Income= Net profit after taxes + Non-cash operating expenses + finance cost	Debt Service = Interest & Lease Payments + Principal Repayments	5,398	2,191	2,728	2,960	2.46	0.92	FY:20-21 was affected by covid and operations were carried only for nine months,therefore on normalization basis, ratios are inline both the financial years.
(d)	Return on Equity Ratio	Profit after tax less pref. Dividend x 100 / Shareholder's Equity	Net Income= Net Profits after taxes - Preference Dividend	Shareholder's Equity	2,797	12,546	1,351	10,139	0.22	0.13	FY:20-21 was affected by covid and operations were carried only for nine months,therefore on normalization basis, ratios are inline both the financial years.
(e)	Inventory Turnover Ratio	Cost of Goods Sold / Average Inventory	Cost of Goods Sold	(Opening Inventory + Closing Inventory) /2	11,180	4,184	8,000	2,300	2.67	3.48	The company is going for New product development in Aero segment, therefore it has to order MOQ which led to high inventory movement.
(f)	Trade Receivables Turnover Ratio	Net Credit Sales / Average Trade Receivables	Net Credit Sales	(Opening Trade Receivables + Closing Trade Receivables) /2	19,319	6,449	12,051	4,706	3.00	2.56	The company has negotiated better terms with customers and brought better efficiency in collection system resulting in better ratio.
(g)	Trade Payables Turnover Ratio	Net Credit Purchases / Average Trade Payables	Net Credit Purchases	(Opening Trade Payables + Closing Trade Payables) /2	9,573	4,519	6,385	3,511.83	2.12	1.82	The company has negotiated better terms with clients and brought better efficiency in Payable system resulting in better ratio.
(h)	Net Capital Turnover Ratio	Revenue / Average Working Capital	Revenue	Average Working Capital= Average of Current assets - Current liabilities	19,780	6,114	12,467	3,494	3.24	3.57	The company is going for New product development in Aero segment, therefore it has to order MOQ which led to high inventory movement.
(i)	Net Profit Ratio	Net Profit / Net Sales	Net Profit	Net Sales	2,797	19,319	1,351	12,051	0.14	0.11	FY:20-21 was affected by covid and operations were carried only for nine months,therefore on normalization basis, ratios are inline both the financial years.
(j)	Return on Capital Employed	EBIT / Capital Employed	EBIT= Earnings before interest and taxes	Capital Employed= Total Assets - Current Liability	5,100	25,833	2,398	14,663	0.20	0.16	FY:20-21 was affected by covid and operations were carried only for nine months,therefore on normalization basis, ratios are inline both the financial years.
(k)	Return on Investment	Net Profit / Net Investment	Net Profit	Net Investment= Net Equity	2,797	12,546	1,351	10,139	0.22	0.13	FY:20-21 was affected by covid and operations were carried only for nine months,therefore on normalization basis, ratios are inline both the financial years.



Azad Engineering Private Limited
Notes forming part of the Financial Statements for the year ended 31st March, 2022
All amounts are in INR lakhs unless otherwise stated

51 Undisclosed income

The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (previous year) in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

52 Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. A CSR committee has been formed by the company as per the Act. The funds are utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

A.	Particulars	31 March 2022	31 March 2021
	Gross Amount required to be spent as per Section 135 of the Act	52.63	53.30
	Add: Amount Unspent from previous years	30.49	-
	Total Gross amount required to be spent during the year	83.12	53.30

B.	Amount approved by the Board to be spent during the year	52.63	53.30
----	--	-------	-------

C. Amount spent during the year on

(i)	Construction/acquisition of an asset	-	-
(ii)	On purposes other than (i) above	-	22.81

D. Details related to amount spent/ unspent

Particulars	31 March 2022	31 March 2021
Spent on Medical Welfare Fund TS Government activities	-	22.81
Accrual towards unspent obligations in relation to:		
Ongoing projects	83.12	-
Other than Ongoing projects	-	-
TOTAL	83.12	22.81

E. Details of ongoing CSR projects

Particulars	Nature of Project	With the Company	In Separate CSR Unspent Account
Balance as at April 01, 2021		30.49	-
Amount required to be spent during the year		52.63	-
Balance as at March 31, 2022	Radiant Institute of Technology, Jeedipally. The above project pertains to providing infrastructure facilities in order to promote education.	83.12	-

F. Disclosures on Shortfall

Particulars	March 31, 2022	March 31, 2021
Amount Required to be spent by the Company during the year	83.12	53.30
Actual Amount Spent by the Company during the year	-	22.81
Shortfall at the end of the year	83.12	30.49
Total of previous years shortfall	30.49	-
Reason for shortfall - State reasons for shortfall in expenditure	Ongoing Activity	Ongoing Activity

*During the Current financial year, under the provisions of Section 135 of the Act, the company is required to spend Rs.52.64 Lakhs towards corporate social responsibility in FY 21-22.

The company has an unspent amount of Rs.30.49 lakhs pertaining to FY 20-21 which cumulates total unspent amount of Rs.83.12 lakhs as on FY 21-22. The company has transferred the amount remaining unspent in respect of ongoing projects to a special account in December 2022.



Azad Engineering Private Limited
Notes forming part of the Financial Statements for the year ended 31st March, 2022
All amounts are in INR lakhs unless otherwise stated

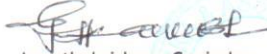
53 Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

The accompanying notes are an integral part of the financial statements

As per our report of even date

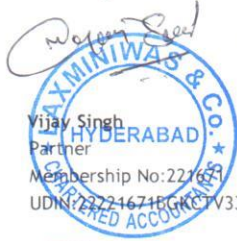
For M S K A & Associates
Chartered Accountants
Firm Registration No.:105047W



Ananthakrishnan Govindan
Partner
Membership No:205226
UDIN:22205226BGKHKZ6744

Place:Hyderabad
Date: 29-12-2022

For Laxminiwas & Co.
Chartered Accountants
Firm Registration No.:0111685



Vijay Singh
Partner
Membership No:221671
UDIN:22224671BGKCTV3359

Place:Hyderabad
Date: 29-12-2022

For and on behalf of the Board of Directors of
Azad Engineering Private Limited
CIN:U74210TG1983PTC004132



Rakesh Chopdar
Director
DIN:01795599

Place: Hyderabad
Date: 29-12-2022



Jyoti Chopdar
Director
DIN:03132157

Place: Hyderabad
Date: 29-12-2022



Ful Kumar Gautam
Company Secretary
M.no:BBBPG5135K

Place: Hyderabad
Date: 29-12-2022