Directors' Report

of

DEE Development Engineers Limited

For

FY-2021-22

DEE DEVELOPMENT ENGINEERS LIMITED

Board of Directors

1. Mr. Krishan Lalit Bansal
   (Chairman and Managing Director)

2. Mrs. Ashima Bansal
   (Whole-time Director)

3. Mrs. Shikha Bansal
   (Whole-time Director)

4. Mr. Satish Kumar
   (Independent Director)

5. Mr. Ajay Kumar Marchanda
   (Independent Director)

6. Mr. Neeraj Bharadwaj
   (Nominee Director)
   (Nomination withdrawn w.e.f 17/05/2021)

7. Mr. Samyak Daga
   (Nominee Director)
   (Nomination withdrawn w.e.f 17/05/2021)

Executive Committee

1. Mr. Krishan Lalit Bansal
   (Chairman)

2. Mrs. Ashima Bansal
   (Member)

Audit Committee

1. Mr. Krishan Lalit Bansal
   (Chairman)

2. Mr. Ajay Kumar Marchanda
   (Member)

3. Mr. Satish Kumar
   (Member)

Nomination and Renumeration Committee

1. Mr. Ajay Kumar Marchanda
   (Chairman)

2. Mr. Krishan Lalit Bansal
   (Member)

3. Mr. Satish Kumar
   (Member)

Corporate and Social Responsibility Committee

1. Krishan Lalit Bansal
   (Chairman)

2. Mr. Ajay Kumar Marchanda
   (Member)

3. Mrs. Ashima Bansal
   (Member)

Independent Director Committee

1. Mr. Ajay Kumar Marchanda
   (Member)

2. Mr. Satish Kumar
   (Member)

List of Key Managerial Personnel

1. Mr. Krishan Lalit Bansal
   (Chairman and Managing Director)

2. Mrs. Ashima Bansal
   (Whole-time Director)

3. Mrs. Shikha Bansal
   (Whole-time Director)

4. Mr. Satish Kumar
   (Independent Director)

5. Mr. Ajay Kumar Marchanda
   (Independent Director)

6. Mr. Gaurav Narang
   (Chief Financial Officer)

7. Mr. Ranjan Kumar Sarangi
   (Company Secretary)

Wholly Owned Subsidiaries / Joint Venture

1. Malwa Power Private Limited **(WOS)**
   CIN: U40107HR2002PTC067195
   Regd. Office: 1255, Sector-14
   Faridabad Haryana-121007

2. DEE Piping Systems (Thailand) Co. Limited **(WOS)**
   TIN: 0-1055-57148-913
   Regd. Address: 59, 59/8, Moo 6, Tha Kham, Bangpakong,
   Chachoengsao, 24130, Thailand

3. DEE Fabricom India Private Limited **(WOS)**
   CIN: U28990HR2018PTC076325
   Regd. Office: 1255, Sector-14
   Faridabad Haryana-121007

4. Atul Krishan Bansal Foundation **(WOS)**
   CIN: U85300DL2021NPL376061
   CSR No.: CSR00014913
   Regd. Address: 2375/78/86/88/90-no-12,
   Pratap chambers, 2387/89/90
   Gurdwara road, Karol Bagh, New Delhi-110005

Consortium Banking Members

1. Bank of India
   New Delhi Large Corporate Branch,
   10th Floor, Chanderlok Building, 36,
   Janpath, New Delhi- 110001

2. Punjab National Bank
   Large Corporate Branch, 8th Floor,
   DCM Building Barakhamba Road,
   New Delhi – 110001

3. HDFC Bank
   2nd Floor, B 6/3, Safdarjung Enclave,
   DDA Commercial Complex,
   Opp. Deer Park, New Delhi – 110029

4. Union Bank of India
   Mid Corporate Branch, 26/28-D,
   Connaught Place, New Delhi-110001

5. Export-Import Bank of India
   Office Block, Tower 1, 7th Floor,
   Adjacent Ring Road, East Kidwai Nagar,
   New Delhi – 110023

6. IndusInd Bank Ltd.
   Upper Ground Floor, Barakhambha Branch,
   Dr. Gopal Das Bhawan, 28, Barakhamba Road,
   New Delhi – 110001

7. Yes Bank Ltd.
   4th Floor, Max Towers, Sector 16B, Noida,
   Uttar Pradesh – 201301

Registrar and Share Transfer Agent

MAS Services Limited
T-34, 2nd Floor, Okhla Industrial Area
Phase-2, New Delhi-110010

Statutory Auditor
S.R. Batliboi & Co. LLP
22, Camac Street, Block-B
3rd Floor, Kolkata-700016

Secretarial Auditor
Abha Nanda, FCS
D-14/31 FF, Exclusive Floors
DLF City, Phase-V
Gurugram, Haryana-122009

Cost Auditor
JSN & CO
426/2, 1st Floor, Old MB Road,
Lado Sarai, New Delhi-110030

Report of the Board of Directors for the Year ended March 31, 2022

Your Board of Directors hereby submits the report of the business and operations of your Company ('the Company' or 'DEE Development Engineers Limited'), along with the Audited Stand-alone & Consolidated Financial Statements, for the financial year ended March 31, 2022.

Extract of Annual Returns

The details forming part of the extract of the Annual Return in Form MGT-9 is enclosed as Annexure-I

Composition of the Board

At the beginning of the year, the Board of your Company comprises of seven Directors – viz. Mr. Krishan Lalit Bansal, Chairman & Managing Director, Mrs. Ashima Bansal, Whole-time Director, Mrs. Shikha Bansal, Whole-time Director, Mr. Satish Kumar, Independent Director, Mr. Ajay Kumar Marchanda, Independent Directors, Mr. Neeraj Bharadwaj, Nominee Director and Mr. Samyak Daga, Nominee Director. During the year, nomination of Mr. Neeraj Bharadwaj, Nominee Director and Mr. Samyak Daga, Nominee Director, was withdrawn by the First Carlyle Ventures III w.e.f 17/05/2021.

Number of Board Meetings

During the year under review, the Board of Directors met six times on 07/05/2021, 15/06/2021, 30/07/2021, 20/09/2021, 17/01/2022 and 29/3/2022.

Disclosure of Relationship between Directors

Mr. Krishan Lalit Bansal, Chairman & Managing Director, Mrs. Ashima Bansal, Whole-time Director and Mrs. Shikha Bansal, Whole-time Director are related to each other, all three of them are the Shareholders of the Company and holds shares of 50.52%, 5.61% and 0.00063% respectively before Buy-back. Mr. Neeraj Bharadwaj, Nominee Director, Mr. Samyak Daga, Nominee Director, Mr. Ajay Kumar Marchanda, Independent Director and Mr. Satish Kumar Independent Directors, having no pecuniary relationship with the Company except sitting fee of Independent Director.

Due to Buy-back offer, the shareholding of Mr. Krishan Lalit Bansal, Chairman & Managing Director, Mrs. Ashima Bansal, Whole-time Director and Mrs. Shikha Bansal, Whole-time Director changed to 74.74%, 8.30% and 0.00094% respectively.

Director Responsibility Statement

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013, your Directors do hereby confirm that:

a) In the preparation of the Annual Accounts for the year ended 31st March, 2022, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;

b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2022 and of profit & loss of the Company for that period;

c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The Directors have prepared the annual accounts on a going concern basis; and

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

Independent Directors

Schedule IV of the Companies Act, 2013 and the Rules made thereunder mandate that the Independent Directors of the Company shall hold at least one meeting in a year, without the attendance of Non-independent Directors and members of Management. The Independent Director met once in a year on 29/03/2022. The Board mandates annual meeting attended exclusively by the Independent Directors. At such meeting, the Independent Director discuss, among other matters, the performance of the Company and risk faced by it, the flow of information to the Board, competition, strategy leadership strengths and weaknesses, governance, compliance, Board movements, human resource matters and performance of the members of the Board, including the Chairman.

The Independent Directors had submitted the declaration of independence, as required pursuant to section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in sub section (6).

Board Committees

The members of the Committees are co-opted by the Board. The Board constitutes the committees and defines their terms of reference. The Board at present has five committees as under:

Executive Committee

Currently, the Executive Committee of Board of Director comprises of two members Mr. Krishan Lalit Bansal, Chairman of the Committee and Mrs. Ashima Bansal as member of the Committee. The Committee met Thirteen times during the financial year 2021-2022 on 24-04-2021, 18-05-2021, 05-06-2021, 15-07-2021, 09-08-2021, 10-09-2021, 30-09-2021, 13-10-2021, 27-10-2021, 25-11-2021, 02-02-2022, 01-03-2022 and 30-03-2022.

Audit Committee

The Audit Committee presently comprises of four members. Mr. Krishan Lalit Bansal as Chairman of the Committee and Mr. Ajay Kumar Marchanda and Mr. Satish Kumar are the members of the committee. The committee met four times during the FY22 on 29/03/2022, 17/01/2022, 20/09/2021, 30/07/2021, 15/06/2021 and 07/05/2021.

During the year under review, the Audit Committee acted in accordance with the terms of reference specified by the Board and all recommendations of the Audit Committee were accepted by the Board.

During the year under review, the Audit Committee acted in accordance with the terms of reference specified by the Board and all recommendations of the Audit Committee were accepted by the Board.

The constitution of the committee meets the requirements of Section 177 of the Companies Act, 2013.

The internal auditor presents to the committee, observations and recommendations arising out of internal audits and also on issues having an impact on the control system and compliance. The Chief Financial Officer and Internal Auditor are permanent invitees and attend meetings of the committee. The Company Secretary acts as the secretary to the committee.

Nomination and Remuneration Committee (NRC)

The committee presently comprises of three members, Mr. Ajay Kumar Marchanda, Chairman of the Committee, Mr. Satish Kumar, Independent Director and Mr. Krishan Lalit Bansal, are the members of the committee. The committee met twice during the FY22 on 20.06.2021 and 29.03.2022.

The broad terms of reference of the committee are:

- Evaluate the performance including extension of contract of Executive Directors (EDs). The NRC would set the performance measures of EDs and evaluate their performance annually;
- Recommend the remuneration for the EDs based on evaluation;
- Evaluate the need for EDs and recommend their appointment;
- Recommend to the Board the policy relating to the remuneration of Directors and Key Management Personnel;
- Lay down criteria for selecting new Non-Executive Directors (NEDs) based on the requirements of the organisation;
- Carry out evaluation of the performance of the NEDs and defining the system for linking remuneration of NEDs with performance;
- Review succession plan for those NED positions that are likely to be vacant during the year;
- Recommend to the Board the appointment and removal of directors.

CSR Committee

The Corporate Social Responsibility committee comprised of three members, Mr. Krishan Lalit Bansal, Chairman of the Committee, Mr. Ajay Kumar Marchanda and Mrs. Ashima Bansal, were the members of the Committee. The committee met once during the year on 29.03.2022. The required disclosures on CSR activities is enclosed as Annexure-III

The broad terms of reference of this committee are:

- Formulate and recommend to the Board a CSR policy which shall indicate the activities to be undertaken by the Company as specified under Schedule VII;
- Recommend the amount of expenditure to be incurred on CSR activities;

- Monitor the CSR policy of the company from time to time;
- Any other matter that may be referred by the Board from time to time or as may be necessary for compliance with the Companies Act, 2013 or rules made thereunder or any other statutory laws of India.

Independent Directors Committee

The Independent Director's Committee presently comprises of two members. Mr. Ajay Kumar Marchanda, as Chairman of the Committee and Mr. Satish Kumar, is the members of the Committee. The Committee meeting was held once in FY22 on 29/03/2022 in compliance with the Schedule IV of the Companies Act, 2013 and the Rules thereunder.

Performance Evaluation & Remuneration Policy

Annual Performance Evaluation is conducted for all Board Members as well as the working of the Board and its Committees. This evaluation is led by the Chairman of Nomination and Remuneration Committee, with specific focus on the performance and effective functioning of the Board. The evaluation process also considers the time spent by each of the Board Member, core competencies, personal characteristics, accomplishment of specific responsibilities and expertise. The Board evaluation is conducted through questionnaire having qualitative parameters and feedback based on ratings.

Clarification on Auditors Qualifications, Reservations or Adverse Remarks

There are no Qualifications, Reservations or Adverse Remarks made by M/s S.R. Batliboi & Co. LLP Chartered Accountants (FRN: 301003E/E300005), Statutory Auditor, in their report for the financial year ended March 31, 2022. Pursuant to provisions of section 143(12) of the Companies Act, 2013, the Statutory Auditors have not reported any incident of fraud to the Audit, Risk and Compliance Committee during the year under review.

Particulars of Loans, Guarantees & Investment

A. Details of Loan/ Guarantee, as per the provisions of Proviso (b) to section 185 (1) of the Companies Act, 2013, given during the financial year under review are as follows:

   Loan was provided to Malwa Power Private Limited (WOS) at a rate of interest of 10.00% p.a. Repayment of Loan by WOS during the year was INR 200.00 Lakhs. MPPL has served interest of INR 14.10 Lakhs during the year. Total loan outstanding as on 31/03/2022 was INR 119.25 Lakhs.

   The Company has provided Corporate Guarantee of INR 732.06.00 lakhs to Malwa Power Private Limited (WOS) towards availing of term loan and working capital facilities from Bank of India (SME Branch, Faridabad) (to the extent loan outstanding).

   The Company has not provided loan to DEE Piping Systems (Thailand) Co., Limited during the year. No repayment was made by WOS during the year. Total interest outstanding as on 31/03/2022 was INR 785.81 Lakhs. Total loan outstanding as on 31/03/2021 was INR 5977.81 Lakhs.

   The Company has provided Corporate Guarantee of INR 2274.94 lakhs to DEE Piping Systems (Thailand) Co., Ltd. (WOS) to Axis Bank, Gift City, Gujarat.

The Company has not provided loan to DEE Fabricom India Private Limited during the year. Total loan outstanding as on 31/03/2022 was INR 1162.96 Lakhs.

The Company has provided Corporate Guarantee of INR 3104.10 lakhs to Yes Bank Limited) (to the extent loan outstanding) towards the banking facilities.

B. Details of Investment made during the financial year are as follows:

Nil investment made by the Company during the year under review.

Related Party Transactions

All related party transactions entered into during the financial year were on arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions made by the company with Promoters, Directors, Key Managerial Personnel or other designated persons which may had a potential conflict with the interest of the Company at large.

All related party transactions were placed before the Audit Committee for approval. Approval of the Audit Committee was obtained on a regular basis for the transactions which aware of a foreseen and repetitive nature. The transactions entered into pursuant to the approval so granted and a statement giving details of all related party transactions were placed before the Audit Committee for their approval on a quarterly basis.

The details of Related Party Transactions in the prescribed form AOC-2 is enclosed as Annexure-II.

Statement of Company's Affairs

The financial performance of the Company as under:

Particulars	**Amount (in INR Lakhs) Standalone**	
	FY 21-22	**FY 20-21**
Revenue from operations	37,032.68	41,144.78
Other Income	1,768.15	1,605.84
Total Income	**38,800.83**	**42,750.62**
Finance Cost	1,899.72	1,935.53
Depreciation and amortization expense	2,215.21	2,212.55
Total Expense	**37,249.63**	**40,669.65**
Earnings before Exceptional item and tax	**1,551.20**	**2,103.03**
Exceptional Item	0	0
Profit/(Loss) before tax	**1,551.20**	**2,103.03**
Current Tax	536.95	671.08

Income Tax Adjustment related to earlier years	(29.84)	(12.85)
Deferred Tax (Credit) / Charge	(186.84)	(766.83)
Profit after Tax	**1,230.93**	**2,211.62**
Net Comprehensive gain or loss	**10.79**	**22.85**
Total comprehensive income for the year	**1,241.72**	**2,234.47**
Earnings per share (Basic) (Rupees in actual)	11.04	14.09
Earnings per share (Diluted) (Rupees in actual)	11.04	14.09

b) Industry and Outlook:

Piping Industry

The India Metal Fabrication Market is anticipated to register a CAGR of greater than 5% during the forecast period.

India's metal fabrication sector has suffered a significant blow on account of operational difficulties and poor demand due to COVID-19 and a slow recovery back to the pre-pandemic level of production is expected in the forecast period. According to the Business Standards, a severe dent in domestic demand for metals is anticipated and it will take until at least 2022-2023 to return to pre-pandemic levels.

The Indian steel industry is considered one of the few bright spots in the global steel industry. The steel industry in the country revived from the demonetization and the goods and services tax (GST) reform and is growing at a rapid pace.

The Indian metal fabrication market (henceforth, referred to as the market studied) is fragmented in nature, with the presence of a large number of small- and medium-sized companies and EPC companies. The rising demand for goods and services across various sectors in India, combined with the fact that global manufacturing companies focus to diversify their production by setting-up low-cost plants in countries, like China and India, is expected to drive the Indian manufacturing sector.

Additionally, the Indian manufacturing sector is expected to register a growth of more than six times the current value, by 2025, to USD 1 trillion. This growth in the Indian manufacturing sector, in turn, is likely to increase the number of manufacturing facilities in the country, which is, thus, expected to drive the demand in the market studied.

The Indian metal fabrication market is fragmented in nature, with the presence of a large number of small- and medium-sized companies and EPC companies. The majority of the large fabricators present in the market studied are majorly EPC companies, which handle end-to-end solutions for structural steel fabrication and process equipment fabrication services. In structural steel, fabricators in the market are focusing on expanding their product portfolio through pre-fabricated buildings and providing engineering solutions to their clients. The increasing construction sector and the preference for pre-engineered buildings are expected to grow.

Biomass Industry

The India biomass gasification market is expected to exhibit a CAGR of 3.9% during 2022-2027. Keeping in mind the uncertainties of COVID-19, we are continuously monitoring the influence of the pandemic. Biomass power is generally adopted to meet the thermal and electrical needs of various industries. Due to the rising environmental concerns among the masses, biomass is widely utilized as a preferred substitute for conventional fuels, such as diesel, coal and furnace oils.

The market in India is primarily driven by the increasing demand for rural electrification. This is supported by the numerous initiatives undertaken by public and private agencies to provide electricity in rural areas across India. Investing in the installation of biomass gasification mini-grid systems that are expected to provide electricity and job opportunities to individuals living in rural areas. Along with this, the increasing investments by the Government of India (GoI) in the development of multifaceted biomass gasifier-based power plants that produce electricity with the help of locally available natural resources, including wood chips and cotton stalks, and agro-residues, are further creating a positive outlook for the market. Some of the other factors contributing to the market growth include rapid industrialization and extensive research and development (R&D) activities conducted by key players to introduce hybrid solar-biomass gasification systems that aim to improve reliability while reducing the overall cost.

Heavy Metal Fabrication

India added 275 MW wind power capacity in the first quarter (Q1) of 2022, a 30% quarter-over-quarter (QoQ) increase compared to 212 MW installed in Q4 2021, bringing the cumulative wind installations in the country to 40.4 GW, according to the recent data released by the Ministry of New and Renewable Energy(MNRE).

Wind Installations: Tamil Nadu, Gujarat, Karnataka, and Maharashtra continued to be the primary markets for wind, accounting for 72% of the cumulative capacity.

Gujarat led the way with nearly 202 MW of wind capacity added in Q1 2022. The state makes up 23% of the cumulative capacity with 9.2 GW of installations. Karnataka added 54 MW of capacity in the quarter and was ranked third with 5.1 GW of wind installations accounting for 13% of the total market share. Tamil Nadu, Gujarat, and Karnataka accounted for the 275 MW installed in Q1 2022.

Previously, GWEC projected that India, which is currently the fourth-largest in terms of installed wind energy capacity, could save an extra 229 million metric tons of CO_2 emissions over the lifetime of a wind farm while also creating more than a million green jobs.

Transfer to Reserves

As per policy of the Company, entire profit has been transferred to Reserves.

Dividend

Ensuring internal requirement of fund, your Directors propose no dividend for the FY22.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The details of conservation of energy and technology absorption undertaken by the Company and the foreign exchange earnings and outgo along with the information in accordance with the provisions of Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 is as under:

Conservation of Energy

The Company continued its efforts to utilise energy optimally at its manufacturing facilities and office locations in India.

At Palwal, lighting systems were improved by optimising load and switching over to Light Emitting Diodes (LEDs) in workshops.

Technology Absorption:

The Directors of your Company continuously making efforts to introduce world class technology into their business. On the same line following machines were introduced during the period under review.

- Bevelling machines 105"- 1no, 16"- 2nos, 24"- 2nos. Now our Bevelling capacity enhance up to 105".
- Manual Plasma Cutting machines.
- Hanger type blasting machine for fittings
- EOT Cranes (5T- 3nos, 2T- 5nos, JIB Crane 3T-1no, 1T- 1no)
- Furnace (HTF-05) upgradation for P-91 material
- Hydro test capacity up to 85" & 22 mtr length wise
- Addition of Welding Tractor technology
- Flextec (5G) welding capacity up to SS pipe 64"

Achievement

- Develop Titanium Shop facility to handle jobs related to Exotic Material.
- Heat Treatment capacity enhancement up to 56" Elbow with Quenching fork mechanism
- Increase capacity of SAW Roll weld pipe 20" to 16"
- Welding capacity development up to 96" dia
- Addition of shop floor facility
    - a) In P-1 33x23 mtr
    - b) In P-2 47x14.5 mtr (2 bay)

During the year Company has added three more features in its Hat:

M-File :- allows you to finally understand how data and business processes flow across your enterprise, allowing you to finally conduct a risk-based approach to quality processes, approval history and audit trails mean that documents are always highly traceable in a way that meets your security expectations. The Companies must comply with laws and regulations as well as industry standards and internal policies. The ability to separate business-critical or confidential data from the big picture helps you handle sensitive information appropriately. Automated workflows facilitate regulatory compliance and automated audit trails. M-Files is also officially certified as an audit-proof document management system.

CISCO VC Solution :- After Covid outbreak most of the Company communication shifted from physical meetings to virtual using various third party software. Your Company has also followed the trend and introduced CISCO VC Solution. The biggest advantage of CISCO video conferencing is the instant connection it provides. Essentially, you get the benefit of an in-person interaction regardless of the amount of people involved or where those people are located.

E3D Software for Engineering Purpose :- As you know the manufacturers across industries racing to increase productivity, every new technology and process could mean another step ahead of the competition. To meet the market demand beforehand your Company has purchased E3D Software this will help Company to switch from 2D to 3D modelling.

Foreign Exchange Earning & Outgo

Refer note no. 34 of the Audited Standalone Financial.

Risk Management Policy

The Company has formulated its own Risk Management Policy approved by Board of Directors. The Risk Management Policy has a strong internal control system and a risk management framework for monitoring and approving the transactions and associated practices of the Company. The objective of the Risk Management Policy is to enable and support achievement of business objectives through risk-intelligent assessment while also placing significant focus on constantly identifying and mitigating risks within the business.

Buy-Back of Equity Share

During the year under review, pursuant to the approval of the Board on May 07, 2021 and approval of shareholders through special resolution passed in extra ordinary general Meeting dated May 08, 2021. The Company has made buyback offer of 51,00,000 equity shares to all existing shareholders of the Company as on May 08, 2021, being the record date for the purpose in accordance with the Articles 15 of the Articles of Association of the Company and Section 68, 69 and 70 of the Companies Act 2013. The Company concluded buyback of 50,84,891 tendered equity shares of face value of Rs 10/- each at a price of Rs 99/- per equity share, for an aggregate amount of Rs 5,034.04 lacs on May 17,2021.

Compliance for Provisions Related to Sexual Harassment of Women at Workplace (Prevention, Prohibition And Redressal) Act, 2013

Your Company has constituted Sexual Harassment Committee Chaired by Mrs. Shruti Agarwal and Ms. Aditi Kaushal & Mr. M Madaan as member of the Committee. The Committee met during the year under review. The Company has also filed the prescribed annual return on Sexual harassment before the commissioner of Palwal at the end of each financial year.

During the year under review, the Company is committed to provide a safe and conducive work environment to its employees and no complaints were received by the Company related to sexual harassment.

Awards and Recognition

The Board's own performance is laudable from its various actions. It has aligned its structure by inducting Independent Directors into the Board, constituting all requisite Committees, making CSR activities as a management function and implementing risk management policies.

The various recognitions received (as mentioned below) speak for the performance of the Board and it's KMP(s):

S.No.	Awards / Certificate Description
1	IHI, one of the biggest EPC of Japan has awarded DEE Certification of Appreciation & Memento for timely execution of projects and high-quality products
2	HSE Award: Valmet, one of the biggest developer and supplier of technologies, automation systems and services for the pulp, paper and energy industries has awarded DEE Certification of Appreciation & Memento for Best Practice in HSE.
3	India's one of the biggest CFO Leadership & Finance platform, Mr Gaurav Narang, VP & Group CFO, DEE Piping Systems, have been awarded CFO Leadership Award recognizing his achievements in the field of finance
4	DEE Piping Systems received its First National Award for Engineering Exports from EEPC.
5	Mr K.L. Bansal was invited on GE's Steam Power Suppliers' Day to Speak on "Future of Thermal Power in India"
6	Mr. K.L. Bansal, shared the Dias with Hon'ble Sh. Kaptan Singh Solanki, Governor of Haryana state, Sh. Vipul Goel, Hon'ble Cabinet Minister, Govt. of Haryana and Sh. Mool Chand Sharma, MLA Ballabgarh at an event organised by Paryas welfare society
7	State Export Award for the year 2015-16
8	CSR Award from Govt. of Haryana
9	State Export Award for the year 2014-15
10	Mr. K.L Bansal was honoured by Honourable Minister of Industry, Haryana for outstanding Social Services.
11	Mr. K.L Bansal was honoured with Life Time Achievement Award 2016 by Faridabad Industrial Association
12	Mitsubishi Hitachi Power Systems giving Performance Excellence Award for the Year 2014-15
13	NCR Chamber of Commerce & Industry giving Export Excellence Award 2014-15
14	Faridabad Industries Association Export Excellence Award 2013-14 to the Company
15	Board of Governors of Construction Industry Development Council (CIDC) Vishwakarma Award 2013 to the Company for Best Professionally Managed Company (Turnover 100-500 Crores) category, upon the recommendation of the jury with a Commemorative Trophy
16	Faridabad Industries Association Business Leader of the Year 2010-11 to Mr. Krishan Lalit Bansal, Managing Director
17	International Business Excellence Award to Mr. Krishan Lalit Bansal by International Study Circle
18	Indian Achievers Award for Industrial Development to Mr. Krishan Lalit Bansal, Managing Director by All India Achievers Foundation

19	Bharat Heavy Electricals Limited Piping Centre, Chennai awarding Business Partnership Certificate to the Company in recognition of the best performance in piping system supply for the year 2010-11
20	Induction of Mr. Krishan Lalit Bansal as a Member by American Welding Society by Authority of Board of Directors
21	THERMAX Appreciation Award at Supply Chain Meet 2007
22	Reliable Supplier Award from UOP Honeywell
23	Best Quality Conscious Subcontractor by Tata Projects Limited

Sustainability and Carbon Footprint:

As the Company is committed towards sustainable business practices, it has reduced approximately 38000 tCO_2 of carbon emission during the year and an aggregate of approximately 1.36 million tCO_2 since operation of its twin biomass power plants, measured in terms of UNFCCC criteria.

Report on Subsidiaries Companies

Malwa Power Private Limited (Wholly Owned Subsidiary)

The company has increased its revenue by 15% YoY and is able to achieve an EBITDA margin of 28%. The company has very minimal long-term debt and almost paid off its holding company's loan which is now reduced to INR 119.00 Lakhs from INR 2500.00 Lakhs at one time. The Net Profit margin stands at 18% vs 11% last year. The company helps the government minimise the stable burning of paddy straw and by reducing carbon emissions by utilising power generation.

DEE Piping Systems (Thailand) Co., Limited (Wholly Owned Subsidiary)

The company has achieved the same level of revenue as compared in previous years. EBITDA margin stands at 17.59% which was 5% last year. During the year the company has acquired new clients and received many new orders. Order book stands at INR 97 Cr as of 1st Sept'22 with a mix of job work and fabrication. The company has bid for many projects which are going to convert into order books soon. Further, the company has minimized its finance cost by 16%.

DEE Fabricom India Private Limited

The company has increased its revenue by 29% to INR 22 Cr, constituting 63% from Wind Tower Manufacturing and the rest from Heavy Structure(Skid and Stacks). The company has developed a new product Stack which received orders from Thermax and shipped to Mexico. The company is able to maintain an EBITDA margin of 20%. Further, the company reduces its interest cost by 7% year on year.

The company is in active negotiation with many new clients Renew Power, Senvion, Juniper, Juniper Green, Opera Energy, Torrent Power, etc. for a new acquisition of the tower business. Moreover, the company is also looking for structural work like Stacks and other heavy structure work.

Atul Krishan Bansal Foundation

The Company has steadily worked towards the vision of the Company's CSR Goal. The Company has taken-up major step towards the upliftment of Girls Child and their skill development. The Company has set-up skill training institute for girls at their office in Faridabad. During the year, Parent Company has transferred INR 64.02 Lakhs for spending on its ongoing projects.

DEE Fabricom LLC, UAE (Jointly Controlled Entity)
During the year under review, Management of the Company has filed for the voluntary winding-up of the JCE. All the process as per local law has been done and NOC are received as required.

Directors

Since the last Annual General Meeting, the following changes have taken place in the Board of Directors of your Company:

Mr. Krishan Lalit Bansal, Chairman and Managing Director of the Company who was liable to retirement by rotation, being eligible, offers himself for re-appointment. Upon re-appointment, he will continue to act as Chairman and Managing Director of the Company with same terms & conditions.

Mrs. Ashima Bansal, Whole-time Director of the Company who was liable to retirement by rotation, being eligible, offers herself for re-appointment. Upon re-appointment, she will continue to act as Whole-time Director of the Company with same terms & conditions.

First Carlyle Venture III- Equity partner of the Company has withdrawn nomination of its Nominee Director Mr. Samyak Daga and Mr. Neeraj Bharadwaj w.e.f 17/05/2021.

The Independent Director of the Company, Mr. Ajay Kumar Marchanda and Mr. Satish Kumar were re-appointed for another term of 5 years with the Approval of the Board and Members of the Company.

Key Managerial Personnels

Mr. Krishan Lalit Bansal, Chairman & Managing Director, Mrs. Shikha Bansal, Whole-time Director, Mrs. Ashima Bansal, Whole-time Director, Mr. Gaurav Narang, Chief Financial Officer and Mr. Ranjan Kumar Sarangi, Company Secretary were designated as Key Managerial Personnel in pursuance of Section 203 of the Companies Act, 2013.

CSR Expenditure Eligible for Spending During 2021-22.

The Company has spent INR 7.81 lakhs directly and transferred balance amount of INR 64.02 Lakhs to Atul Krishan Bansal Foundation (Section 8 Wholly-owned Subsidiary of the Company) for spending on its ongoing projects.

The CSR initiatives are driven partially itself and through Atul Krishan Bansal Foundation, with the key focus on facilitating quality education to children from under-served sections of the society, empowering them to transform their lives. DEE believes that education is the biggest leveller and every child, irrespective of the economic background of the family, should receive quality education that will help transcend the vicious cycle of poverty.

Additionally, for the factory locations, need-based support is provided either directly or in partnership with credible NGOs. The Company earmarked activities as given in Annexure III.

Post Balance Sheet Events

Your Company has incorporated new wholly owned subsidiary with name and style "DEE Green Energy Private Limited" having paid-up capital of Rs. 50,000/-. This step was taken basis the strategy of the Management for successful execution of proposed Demerger plan.

The Shares of Mr. Atul Krishan Bansal was transmitted to his legal heir Mrs. Shikha Bansal. Now the shareholding of Mrs. Shikha Bansal is increased to 2.77%. In addition to this Mrs. Ashima Bansal has transferred her 10 shares to M/s ASV Fabrication Private Limited and 10 shares to Mrs. Shruti Agarwal.

Malwa Power Private Limited has repaid its entire loan as on the signing of this Report.

Auditors

M/s S.R. Batliboi & Co. LLP (FRN: 301003E/E300005), Chartered Accountants, was appointed as the Statutory Auditors for a period of Five years commencing from the 29th Annual General Meeting until the conclusion of the 34th Annual General Meeting of the Company.

In accordance with the Companies Amendment Act, 2017 notified by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting.

Cost Auditors & Cost Audit Report

The Company has made and maintain cost accounts and records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

Pursuant to section 148 of the Companies Act, 2013, the Board of Directors on recommendation of the Audit Committee appointed M/s JSN & Co, Cost Accountants, M-11, Shastri Nagar, near Inderlok Metro Station Delhi-110052 for the Financial Year 2022-23 and recommended their remuneration to the shareholders for their ratification at the ensuing Annual General Meeting. The Cost Auditors' Report for the financial year 2021-22 does not contain any qualification, reservation or adverse remark.

Your company has received consent from M/s. JSN & Co., Cost Accountants, to act as the Cost Auditors for conducting audit of the cost records for the financial year 2022-23 along with a certificate confirming their appointment is within the limits and also certified that they are free from any disqualifications. The Audit Committee has also received a certificate from the Cost Auditors certifying their independence and arm's length relationship with the Company.

Secretarial Auditors

In accordance with the provisions of section 204 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and to follow the passion of good governance, the Company has appointed Mrs. Abha Nanda, Practicing Company Secretaries, to undertake Secretarial Audit for the financial year FY 2022-2023. The Secretarial Audit report for FY 2021-22 is annexed as Annexure -IV. The report of the

Secretarial Auditors does not contain any adverse remark /qualification requiring explanation from the Directors.

Fixed Deposits

During the year, the Company has not received any deposits from general public.

Details in respect of frauds reported by Auditors under sub-section (12) of Section 143 other than those which are reportable to the Central Government.

During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by Statutory Auditor/ Cost Auditor/ Secretarial Auditor in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

Going Concerns

There was no orders passed by Regulators, Courts or Tribunals impacting the going concern status and Company's operations in future.

Internal Financial Control

The Company has adequate internal financial control vis-à-vis the size of the Company. The Internal Control Systems are regularly being reviewed by the Company's Internal Auditors with a view to evaluate the efficacy and adequacy of Internal Control Systems in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and to ensure that these are working properly and wherever required, are modified/ tighten to meet the changed business requirements. In addition to above the Board closely supervise the internal control functions at regular interval.

Particulars of Employees

During the year under review, there was no employee in the Company who was in receipt of remuneration in excess of the limits prescribed under the provisions of Section 197 of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Name	Designation	Annual Gross Remuneration	Nature of Employment	Nature of Duties	Qualification	Experience (Yrs.)	Date of Appointment	Age (Yrs.)	Last employment held
Mr. Krishan Lalit Bansal	Chairman & Managing Director	256.20 Lakhs	Permanent	Day-to-day management	B.Sc. Engineering (Mechanical)	45	21-03-1988	67	EIL
Mrs. Ashima Bansal	Whole-time Director	81.00 Lakhs	Permanent	Day-to-day management	N.A	26	01/10/2018	67	Malwa Power Pvt. Ltd.

Mrs. Shikha Bansal	Whole-time Director	98.13 Lakhs	Permanent	Day-to-day management	N.A	16	01/12/2021	40	DEE Development Engineers Ltd.

Human Resources

HR practices of your Company aim to enhance the capability of the organization through creating performance and result driven culture, employee value proposition and supporting operations through effective systems and processes. HR Department of your Company has conducted multiple training programs as and when required by employees to involve more and more employees. The Company continued to invest in creating progressive human resources practices to create value for its customers, stakeholders and investors.

Acknowledgement

Your Directors place on record their appreciation for the continuing support extended during the year by the Company's customer, business associates, supplier, bankers, investors, government authorities etc. They also place on record their appreciation for the dedication and value-added contributions made by all the employees.

Your Directors would also like to thank you all the shareholders for continuing to repose faith in the Company and its future.

For and on behalf of the Board of Directors of
DEE Development Engineers Limited

Sd/-

(Krishan Lalit Bansal)
Chairman & Managing Director

Place: Faridabad
Date: 24/09/2022

Annexure I

FORM NO. MGT 9

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management & Administration) Rules, 2014.

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31/03/2022

I REGISTRATION & OTHER DETAILS:

i	CIN	U74140HR1988PLC030225
ii	Registration Date	March 21, 1988
iii	Name of the Company	DEE Development Engineers Limited
iv	Category/Sub-category of the Company	Company Limited by Shares/Indian Non-Govt. Companies
v	Address of the Registered office & contact details	House No 1255, Sector-14, Faridabad, Haryana-121002
	Telephone (with STD Code) :	+91-127-5248345
	Fax Number :	+91-127-5248314
	Email Address :	ranjank.sarangi@deepiping.com
	Website, if any:	www.deepiping.com
vi	Whether listed company	N.A
vii	Name and Address and contact detail of the Registrar & Transfer Agents (RTA), if any:-	
	Name	MAS Services Limited
	Address	T-34,2nd Floor, Okhla Industrial Area, Phase-2 New Delhi-110010
	Telephone	+91-011-26387281,82,83
	Fax Number	N.A
	Email Address	www.masserv.com

II. PRINCIPAL BUSINESS ACTIVITY OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Pre-fabrication of Pipes and Pipe fittings	3419	95.44

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

No. of Companies for which information is being filled	Four

S. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY /ASSOCIATE /JOINT VENTURE	% of shares held	Applicable Section of Companies Act, 2013
1	Malwa Power Private Limited	U40107HR2002PTC067195	Whole-owned Subsidiary	100	2(87)
2	DEE Piping Systems (Thailand) Co., Ltd	0105557148913	Whole-owned Subsidiary	100	2(87)
3	DEE Fabricom India Private Limited	U28990HR2018PTC076325	Whole-owned Subsidiary	100	2(87)
4	Atul Krishan Bansal Foundation	U85300DL2021NPL376061	Whole-owned Subsidiary	100	2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

***i.* Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year (As on 1st April, 2021)				No. of Shares held at the end of the year (As on 31st March, 2022)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter s									
(1) Indian									
a) Individual/ HUF	91,01,273	-	91,01,273	85.80%	91,01,273	-	91,01,273	85.80%	0%
b) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0%
c) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0%
d) Bodies Corp.	-	14,93,811	14,93,811	14.08%	15,06,555	-	15,06,555	14.20%	0%
e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0%
f) Any other	-	-	-	0.00%	-	-	-	0.00%	0%
Sub-total (A)(1):	**91,01,273**	**14,93,811**	**1,05,95,084**	**99.88%**	**1,06,07,828**	**-**	**1,06,07,828**	**100.00%**	**0%**
(2) Foreign									
a) NRI - Individual/	-	-	-	0.00%	-	-	-	0.00%	0%
b) Other - Individual/	-	-	-	0.00%	-	-	-	0.00%	0%
c) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0%
d) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0%
e) Any Others	-	-	-	0.00%	-	-	-	0.00%	0%
Sub-total (A)(2):	**-**	**-**	**-**	**0.00%**	**-**	**-**	**-**	**0.00%**	
Total shareholding of Promoter (A) = (A(1) +	**91,01,273**	**14,93,811**	**1,05,95,084**	**99.88%**	**1,06,07,828**	**-**	**1,06,07,828**	**100.00%**	**0%**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	0.00%	-	-	-	0.00%	0%
b) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0%
c) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0%
d) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0%
e) Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0%
f) Insurance Companies	-	-	-	0.00%	-	-	-	0.00%	0%
g) FIIs	-	-	-	0.00%	-	-	-	0.00%	0%
h) Foreign Venture Capital Funds	50,81,387	-	50,81,387	32.38%	-	-	-	0.00%	32%
i) Others (specify)	-	-	-	0.00%	-	-	-	0.00%	0%
Sub-total (B)(1):-	**50,81,387**	**-**	**50,81,387**	**32.38%**	**-**	**-**	**-**	**0.00%**	**32%**
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	-	-	-	0.00%	-	-	-	0.00%	0%
ii) Overseas	-	-	-	0.00%	-	-	-	0.00%	0%
b) Individuals			-				-		0%
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	16,248	-	16,248	0.10%	-	-	-	0.00%	0.10%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	0.00%	-	-	-	0.00%	0%
c) Others (specify)	-	-	-	0.00%	-	-	-	0.00%	0%
Sub-total (B)(2):-	**16,248**	**-**	**16,248**	**0.10%**	**-**	**-**	**-**	**0.00%**	**0.10%**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**50,97,635**	**-**	**50,97,635**	**32.48%**	**-**	**-**	**-**	**0.00%**	**32.48%**
C. Shares held by Custodian for GDRs & ADRs	**-**	**-**	**-**	**0.00%**	**-**	**-**	**-**	**0.00%**	**0%**
Grand Total (A+B+C)	**1,41,98,908**	**14,93,811**	**1,56,92,719**	**132.36%**	**1,06,07,828**	**-**	**1,06,07,828**	**100%**	**-32.40%**

ii Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Mr. Krishan Lalit Bansal	7927837	51%	26%	7927837	75%	0%	24%
2	Mr. Atul Krishan Bansal	293326	2%	0%	293326	3%	0%	1%
3	Mrs. Ashima Bansal	880000	6%	0%	880000	8%	0%	3%
4	Mrs. Shikha Bansal	100	0%	0%	100	0%	0%	0%
	TOTAL	**9101263**	**58%**	**26%**	**9101263**	**86%**	**0%**	**28%**

iii Change in Promoters' Shareholding (please specify, if there is no change)

Sl No.	Name	Shareholding	% of total share of the Company	Date	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the year	
		No. of share at the beginning (01/04/2021) / ending of the year (31/03/2022)					No. of shares	% of total shares of the company
1	Mr. Krishan Lalit Bansal	7927837	50.52%	01-04-2021				
		7927837	74.74%	31-03-2022			7927837	74.74%
2	Mr. Ashima Bansal	880000	5.61%	01-04-2021				
		880000	8.30%	31-03-2022	-		880000	8.30%
3	Mr. Atul Krishan Lalit Bansal	293326	1.87%	01-04-2021				
		293326	2.77%	31-03-2022	-		293326	2.77%
4	Mrs. Shikha Bansal	100	0.00%	01-04-2021				
		100	0.00%	31-03-2022	-		100	0.00%

iv Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

S.No	Name	Shareholding: No. of share at the beginning (01/04/2021) / ending of the year (31/03/2022)	% of total share of the Company	Date	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the year: No. of shares	% of total shares of the company
1	First Carlyle Ventures III	50,81,387	32.38%	01-04-2021				
		-	0.00%	31-03-2022	50,81,387	Buy-back	50,81,387.00	32.38%
3	Mr. Shankar Narayanan Menon Madhava	12,744	0.08%	01-04-2021	12,744	Transfer		
			0.00%	31-03-2022				
2	Mr. Nikhil Mohta	1,274	0.01%	01-04-2021				
		-	0.00%	31-03-2022	1,274	Buy-back	-1,274.00	-0.01%
3	Mr. Kapil Modi	637	0.00%	01-04-2021	-			
		-	0.00%	31-03-2022	637	Buy-back	-637.00	0.00%
4	Mr. Rishabh Chindalia	319	0.00%	01-04-2021				
		0	0.00%	31-03-2022	319	Buy-back	-319.00	0.00%

v Shareholding of Directors and Key Managerial Personnel:

S.No	Name	Shareholding: No. of share at the beginning (01/04/2021) / ending of the year (31/03/2022)	% of total share of the Company	Date	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the year: No. of shares	% of total shares of the company
1	Mr. Krishan Lalit Bansal	7927837	50.52%	01-04-2021				
		7927837	74.74%	31-03-2022	-		7927837	74.74%
2	Mr. Atul Krishan Bansal	293326	1.87%	01-04-2021				
		293326	2.77%	31-03-2022	-	-	293326	2.77%
3	Mrs. Ashima Bansal	880000	5.61%	01-04-2021				
		880000	8.30%	31-03-2022	-	-	88000	0.83%

VI INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Indebtedness at the beginning of the financial year	**Secured Loans excluding deposits (Rs. in Lakhs)**	**Unsecured Loans (Rs. in Lakhs)**	**Deposits**	**Total Indebtness (Rs. in Lakhs)**
i) Principal Amount	15,851.78	1,022.28	-	**16,874.06**
ii) Interest due but not paid	-	-	-	**-**
iii) Interest accrued but not due	38.71	-	-	**38.71**
Total (i+ii+iii)	**15,890.49**	**1,022.28**	**-**	**16,912.77**
Change in Indebtedness during the financial year	**Secured Loans excluding deposits**	**Unsecured Loans**	**Deposits**	**Total Indebtness**
* Addition	3,425.11	808.59	-	**4,233.70**
* Reduction	-	-	-	**-**
Net Change	**3,425.11**	**808.59**	**-**	**4,233.70**
Indebtedness at the end of the financial year	**Secured Loans excluding deposits**	**Unsecured Loans**	**Deposits**	**Total Indebtness**
i) Principal Amount	19,293.40	1,830.87	-	**21,124.27**
ii) Interest due but not paid	-	-	-	**-**
iii) Interest accrued but not due	22.20	-	-	**22.20**
Total (i+ii+iii)	**19,315.60**	**1,830.87**	**-**	**21,146.47**

VII. **REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

A. ***REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER:***

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Mr. Krishan Lalit Bansal	Mrs. Ashima Bansal	Mrs. Shikha Bansal	
1	Gross salary	2,56,19,999.00	81,00,000.00	98,12,500.00	4,35,32,499.00
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-		-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-		-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-		-
2	Stock Option	-	-		-
3	Sweat Equity	-	-		-
4	Commission	-			-
	- as % of profit	-	-		-
	- others, specify	-	-		-
5	Others, please specify	-	-		-
	Total (A)	**2,56,19,999.00**	**81,00,000.00**	**98,12,500.00**	**4,35,32,499.00**
	Ceiling as per the Act	**3,10,00,000.00**	**96,16,000.00**	**1,03,18,875.00**	**5,09,34,875.50**

B. ***REMUNERATION TO OTHER DIRECTORS:***

Sl. No.	Particulars of Remuneration	Name of Directors		
		A	B	Total Amount
	Independent Directors	**Mr. Satish Kumar**	**Mr. A.K. Marchanda**	
1	Fee for attending Board committee meetings	3,75,000.00	3,75,000.00	7,50,000
	Commission	-	-	-
	Others, please specify	-	-	-
	Total (1)	**3,75,000**	**3,75,000**	**7,50,000**
2	**Other Non-Executive Directors**			
	Fee for attending board committee meetings	-		-
	Commission	-	-	-
	Others, please specify	-	-	-
	Total (2)	-	-	-
	Total (1+2)	**3,75,000**	**3,75,000**	**7,50,000**
	Total Managerial Remuneration	**3,75,000**	**3,75,000**	**7,50,000**
	Overall Ceiling as per the Act	-	-	-

C. ***REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD***

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Company Secretary	CFO	
		Mr. Ranjan K. Sarangi	Mr. Gaurav Narang	
1	Gross salary	13,98,941.00	39,99,858.00	53,98,799
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	
	- as % of profit	-	-	-
	- others, specify…	-	-	-
5	Others, please specify	-	-	-
	Total	**13,98,941**	**39,99,858**	**53,98,799**

VIII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	0	NA	NA	NA	NA
Punishment	0	NA	NA	NA	NA
Compounding	0	NA	NA	NA	NA
B. DIRECTORS					
Penalty	0	NA	NA	NA	NA
Punishment	0	NA	NA	NA	NA
Compounding	0	NA	NA	NA	NA
C. OTHER OFFICERS IN DEFAULT					
Penalty	0	NA	NA	NA	NA
Punishment	0	NA	NA	NA	NA
Compounding	0	NA	NA	NA	NA

Annexure IV

Form AOC-1
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures
Part A Subsidiaries (Information in respect of each subsidiary to be presented with amounts in INR Lakhs)

Sl. No.	Name of the subsidiary	The date since when subsidiary was acquired	Financial year of the subsidiary Company ended on	Country of Incorporation	%age of Shareholdings	Reporting currency & Exchange rate	Share capital	Reserves and Surplus	Total Assets
1	**Malwa Power Private Limited**	22.01.2016	31.03.2022	India	100	INR	1220.97	810.02	3,619.49
2	**DEE Piping Systems (Thailand) Co., Ltd.**	07.10.2014	31.03.2022	Thailand	100	INR	5,021.32	(5,103.34)	12,345.70
3	**DEE Fabricom India Pvt. Ltd.**	09-10-2018	31.03.2022	India	100	INR	900.00	(722.92)	4,661.35

Sl. No.	Name of the subsidiary	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend
1	**Malwa Power Private Limited**	3,619.49	NIL	3,783.07	817.33	237.81	579.52	NIL
2	**DEE Piping Systems (Thailand) Co., Ltd.**	12,345.70	NIL	4,061.37	-699.65	-	-699.65	NIL
3	**DEE Fabricom India Pvt. Ltd.**	4,661.35	NIL	2,238.37	-376.38	-48.35	-328.04	NIL

1. Names of subsidiaries which are yet to commence operations
2. Names of subsidiaries which have been liquidated or sold during the year.

Part “B” : Associates and Joint Ventures

The Company has one Joint Ventures, therefore statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures is applicable.

Sl. No.	Name of theJoint Venture	The date since when subsidiary was acquired	Financial year of the subsidiary Company ended on	Country of Incorporation	%age of Shareholdings	Reporting currency & Exchange rate	Share capital	Reserves and Surplus	Total Assets
1	**DEE Fabricom LLC, UAE***	14.06.2017	31.12.2021	UAE	49	A.E.D	10.00	###########	-

Sl. No.	Name of the Joint Venture	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend
1	**DEE Fabricom LLC, UAE***	-	-	-	-	0	-	-

* The Company has applied for the Voluntary Winding-up during the year and got approval of concerned depatment.

For DEE Development Engineers Limited

Sd/-

(Krishan Lalit Bansal)
Chairman & Managing Director
DIN: 01125121

Annexure II

FORM NO. AOC.2

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's lengt transactions under third proviso thereto.

[Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

1	**Details of contracts or arrangements or transactions not at arm's length basis**	
(a)	Name(s) of the related party and nature of relationship	N.A
(b)	Nature of contracts/arrangements/ transactions	N.A
(c)	Duration of the contracts/ arrangements/ transactions	N.A
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	N.A
(e)	Justification for entering into such contracts or arrangements or transactions.	N.A
(f)	Date(s) of approval by the Board	N.A
(g)	Amount paid as advances, if any:	N.A
(h)	Date on which the special resolution was passed in General Meeting as required under first proviso to section 188.	N.A

2	**Detail of material contracts or arrangement or transactions at arm's length basis**				
(a)	Name(s) of the related party and nature of relationship	Mr. Krishan Lalit Bansal Chairman & Managing Director	Malwa Power Pvt. Ltd. Wholly Owned Subsidiary	DEE Piping Systems (Thailand) Co., Ltd. Wholly Owned Subsidiary	DEE Fabricom India Pvt. Ltd. Wholly Owned Subsidiary
(b)	Nature of contracts/arrangements /transactions	Rent paid Rs. 0.60 Lakhs	Sale of Goods Rs. 03.39 Lakhs	Sale of Goods Rs. 02.09 Lakhs Purchase of Raw Material 797.20 Lakhs	Sale of Goods & PPE Rs. 37.70 Lakhs Purchase of Raw Material & PPE 451.38 Lakhs Rent Paid: 4.50 Lakhs
(c)	Duration of the contracts/arrangements/ transactions	Transactions had taken place during the period 1st April, 2021 to 31st Mar, 2022	Transactions had taken place during the period 1st April, 2021 to 31st Mar, 2022	Transactions had taken place during the period 1st April, 2021 to 31st Mar, 2022	Transactions had taken place during the period 1st April, 2021 to 31st Mar, 2022
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	General Business Transactions	General Business Transactions	General Business Transactions	General Business Transactions
(e)	Date(s) of approval by the Board, if any:	In first Board Meeting of the year	Within 90 days of transcation	Within 90 days of transcation	Within 90 days of transcation
(f)	Amount paid as advances, if any:	N/A	As per P.O terms	As per P.O terms	As per P.O terms

For DEE Development Engineers Limited

Sd/-

(Krishan Lalit Bansal)
Chairman & Managing Director
DIN: 01125121

Annexure II

FORM NO. AOC.2

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's lengt transactions under third proviso thereto.

[Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

1	**Details of contracts or arrangements or transactions not at arm's length basis**	
(a)	Name(s) of the related party and nature of relationship	N.A
(b)	Nature of contracts/arrangements/ transactions	N.A
(c)	Duration of the contracts/ arrangements/ transactions	N.A
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	N.A
(e)	Justification for entering into such contracts or arrangements or transactions.	N.A
(f)	Date(s) of approval by the Board	N.A
(g)	Amount paid as advances, if any:	N.A
(h)	Date on which the special resolution was passed in General Meeting as required under first proviso to section 188.	N.A

2	**Detail of material contracts or arrangement or transactions at arm's length basis**				
(a)	Name(s) of the related party and nature of relationship	Mr. Krishan Lalit Bansal Chairman & Managing Director	Malwa Power Pvt. Ltd. Wholly Owned Subsidiary	DEE Piping Systems (Thailand) Co., Ltd. Wholly Owned Subsidiary	DEE Fabricom India Pvt. Ltd. Wholly Owned Subsidiary
(b)	Nature of contracts/arrangements /transactions	Rent paid Rs. 0.60 Lakhs	Sale of Goods Rs. 03.39 Lakhs	Sale of Goods Rs. 02.09 Lakhs Purchase of Raw Material 797.20 Lakhs	Sale of Goods & PPE Rs. 37.70 Lakhs Purchase of Raw Material & PPE 451.38 Lakhs Rent Paid: 4.50 Lakhs
(c)	Duration of the contracts/arrangements/ transactions	Transactions had taken place during the period 1st April, 2021 to 31st Mar, 2022	Transactions had taken place during the period 1st April, 2021 to 31st Mar, 2022	Transactions had taken place during the period 1st April, 2021 to 31st Mar, 2022	Transactions had taken place during the period 1st April, 2021 to 31st Mar, 2022
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	General Business Transactions	General Business Transactions	General Business Transactions	General Business Transactions
(e)	Date(s) of approval by the Board, if any:	In first Board Meeting of the year	Within 90 days of transcation	Within 90 days of transcation	Within 90 days of transcation
(f)	Amount paid as advances, if any:	N/A	As per P.O terms	As per P.O terms	As per P.O terms

For DEE Development Engineers Limited

Sd/-

(Krishan Lalit Bansal)
Chairman & Managing Director
DIN: 01125121

Annexure-III

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITY.

1. Brief outline of CSR Policy, activities to be undertaken and the web-link to the CSR Policy & activities.

   The CSR policies of the Company covers following broad areas. Going forwards, various projects will be implemented under these categories. Since the Company is located at rural area, the CSR Committee of the Board is optimistic to fulfill its obligations to the satisfaction of real beneficiaries. Main headings under which CSR activities of the Company will be carried are as under:

   a. eradicating extreme hunger and poverty
   b. Promotion of education.
   c. Promoting gender equality and empowering women.
   d. Reducing child mortality and improving maternal health and combating human immunodeficiency virus, acquired immune deficiency syndrome, malaria and other diseases.
   e. ensuring environmental sustainability
   f. employment enhancing vocational skills
   g. Social business projects in Infrastructure Support – construction, repair, extension etc.
   h. contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for socio-economic development and relief and funds for the welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women
   i. Rural Development Projects
   j. Swachh Bharat Scheme
   k. Beti Bachao Beti Padhao

2. Composition of CSR Committee is:

SL No	Name of Committee Member	Designation
1	Mr. Ajay Kumar Marchanda	Chairman (Independent Director)
2	Mr. Krishan Lalit Bansal	Member
3	Mrs. Ashima Bansal	Member

3. Average Net Profit of the Company for last Three financial Years: Rs. 1241.72 Lakh
4. Prescribed CSR Expenditure: 2% of Average Net Profit computed to Rs. 71.63 Lakh
5. Henceforth, the Company has decided to undertake all its CSR activities though Atul Krishan Bansal Foundation, a Section 8 Company registered in remembrance of Late Atul Krishan Bansal, the only son of Mr. Krishan Lalit Bansal, Chairman and Managing Director of the Company.
6. Projects undertaken by the Company are in and around the villages where Works of the Company is situated. The Company has spent INR 7.81 lakhs directly and transferred the

balance amount of INR 64.02 Lakhs to Atul Krishan Bansal Foundation for spending on its ongoing projects

7. Detail of Financial Spend during the Financial Year
    a. Total Amount to be spent during the financial Year: Rs. 71.63 Lakh
    b. Amount Spend under CSR: Rs. 71.63 Lakhs
    c. Amount set off with excess spending in FY 21: Nil
    d. Amount unspent: Nil
    e. Manner in which amount spent during the financial year is detailed below:

1	2	3	4	5	6	7	8
SL No	**CSR Project of activity identified**	**Sector in which the project is covered**	**Project or Program (1) Local Area (2) Other – Specify the State or District in which the program was undertaken**	**Amount Outlay (Budget) Project or Program wise**	**Amount spent on Project or Program (1) Direct Expenses (2) Overheads**	**Cumulative Expenditure upto the reporting period**	**Amount spent directly or through the implementing agency**
1	Promotion of Education	Donation to Vishwa Prakash Mission	Village Jatola and Tatarpur & Registered office of the Company	Rs. 5.70 Lakh	Direct Expenses	Rs. 5.70 Lakh	Vishwa Prakash Mission
2	Rural Development Projects	Expenditure on maintenance and Road Cleanliness, Bustbin	Village Jatola and Tatarpur, Prithla of Piping unit	Rs. 1.56 Lakh	Direct Expenses	Rs. 1.56 Lakh	Directly
3	Social Business Project	Sponsorship to Faridabad Industrial Association	Association working for the welfare of the Faridabad Industries	Rs. 0.15 Lakh	Direct Expenses	Rs. 00.15 Lakh	Faridabad Industrial Association
7	Eradicating extreme hunger and poverty	Grant/donation/financial assistance/sponsorship to reputed NGOs of	Donation to Anchal Chhaiya Education and Rehabilitation society	Rs. 0.40 Lakh	Indirect Expenses	Rs. 0.40 Lakh	Through Anchal Chhaiya Education and Rehabilitation society

		the Society/locality doing/involve in upliftment of the standard of the society & poverty alleviation.					
8	Atul Krishan Bansal Foundation	Grant to own WOS	Grant	Rs. 64.02 Lacs	Direct Expenses	Rs. 64.02 Lacs	Direct

8. The Company has spent two percent of average net profit of the company for last three financial year or part thereof.

9. It is hereby stated that the implementation and monitoring of CSR policy is in compliance with the objective of the Company and Company policy.

For DEE Development Engineers Limited

Sd/-

(Ajay Kumar Marchanda)
(CSR Committee Chairman)

Annexure IV

Form AOC-1
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures
Part A Subsidiaries (Information in respect of each subsidiary to be presented with amounts in INR Lakhs)

Sl. No.	Name of the subsidiary	The date since when subsidiary was acquired	Financial year of the subsidiary Company ended on	Country of Incorporation	%age of Shareholdings	Reporting currency & Exchange rate	Share capital	Reserves and Surplus	Total Assets
1	Malwa Power Private Limited	22.01.2016	31.03.2022	India	100	INR	1220.97	810.02	3,619.49
2	DEE Piping Systems (Thailand) Co., Ltd.	07.10.2014	31.03.2022	Thailand	100	INR	5,021.32	(5,103.34)	12,345.70
3	DEE Fabricom India Pvt. Ltd.	09-10-2018	31.03.2022	India	100	INR	900.00	(722.92)	4,661.35

Sl. No.	Name of the subsidiary	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend
1	Malwa Power Private Limited	3,619.49	NIL	3,783.07	817.33	237.81	579.52	NIL
2	DEE Piping Systems (Thailand) Co., Ltd.	12,345.70	NIL	4,061.37	-699.65	-	-699.65	NIL
3	DEE Fabricom India Pvt. Ltd.	4,661.35	NIL	2,238.37	-376.38	-48.35	-328.04	NIL

1. Names of subsidiaries which are yet to commence operations
2. Names of subsidiaries which have been liquidated or sold during the year.

Part "B" : Associates and Joint Ventures

The Company has one Joint Ventures, therefore statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures is applicable.

Sl. No.	Name of theJoint Venture	The date since when subsidiary was acquired	Financial year of the subsidiary Company ended on	Country of Incorporation	%age of Shareholdings	Reporting currency & Exchange rate	Share capital	Reserves and Surplus	Total Assets
1	DEE Fabricom LLC, UAE*	14.06.2017	31.12.2021	UAE	49	A.E.D	10.00	###########	-

Sl. No.	Name of the Joint Venture	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend
1	DEE Fabricom LLC, UAE*	-	-	-	-	0	-	-

* The Company has applied for the Voluntary Winding-up during the year and got approval of concerned depatment.

For DEE Development Engineers Limited

Sd/-

(Krishan Lalit Bansal)
Chairman & Managing Director
DIN: 01125121

Annexure V

Abha Nanda F.C.S
D-14/31FF, Exclusive Floors,
DLF City-Phase-V,
Gurugram-122009
(M) 9810594976
Email:
abhananda25@gmail.com

Annexure to the Directors' Report

Form No.MR-3

SECRETARIAL AUDIT REPORT

[Pursuant to section 204(1) of the Companies Act, 2013 and ruleNo.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

M/S Dee Development Engineers Limited,
1255, Sector-14, Faridabad,
Haryana, India,

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/S Dee Development Engineers Limited CIN No.U74140HR1988PLC030225** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit **I hereby report that** in my opinion ,the Company has, during the audit period covering the financial year ended on **31st March 2022** ('the Audit period') , complied with the statutory provisions listed here under and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on the 31st March 2022, according to the provisions of:

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

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under (not applicable to the Company during the Audit period);

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

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') (not applicable to the Company during the Audit period):-

Abha Nanda F.C.S
D-14/31FF, Exclusive Floors,
DLF City-Phase-V,
Gurugram-122009
(M) 9810594976
Email:
abhananda25@gmail.com

(a)The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b)The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations,1992;

(c)The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009

(d)The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

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

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g)The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

(h)The Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998;

vi) I have relied on the representations made by the Company and its officers for systems and mechanism formed by the Company under the following heads;

1) Factories Act, 1948

2) Industrial Disputes Act, 1947

3) Labour Laws and other Allied Laws

4) The Environment (Protection) Act, 1986

5) Water (Prevention and Control) Act, 1974 and the rules made there under

6) Air (Prevention and Control of Pollution) Act, 1981 and the rules made there under

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

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

(ii) The Listing Agreements entered into by the Company with the Stock Exchange(s) (not applicable to the Company during the Audit period).

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

Abha Nanda F.C.S
D-14/31FF, Exclusive Floors,
DLF City-Phase-V,
Gurugram-122009
(M) 9810594976
Email:
abhananda25@gmail.com

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all directors to schedule the Board Meetings, and agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions of the Board Meetings were carried through by majority and it was informed that there were no dissenting views of the members and hence not captured and recorded as part of the minutes.

I further report that

On review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at their Meeting(s), we are of the opinion that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

As informed, the Company has responded appropriately to notices received from various statutory/ regulatory authorities including initiating actions for corrective measures, wherever found necessary.

Place: Gurugram
Date: 12th September 2022

Abha Nanda
FCS No.3272 CPNo: 10915
UDIN F003272A00059993

ABHA NANDA
F.C.S
C.P No. 10915

2nd & 3rd Floor
Golf View Corporate Tower - B
Sector - 42, Sector Road
Gurugram - 122 002, Haryana, India
Tel : +91 124 681 6000

INDEPENDENT AUDITOR'S REPORT

To the Members of DEE Development Engineers Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of DEE Development Engineers Limited ("the Company"), which comprise the Balance sheet as at March 31 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone Ind AS 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 Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as 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 Ind AS 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 together with the ethical requirements that are relevant to our audit of the 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 audit opinion on the standalone Ind AS financial statements.

Emphasis of Matter

We draw attention to the note 37 of standalone Ind AS financial statements, which explains the uncertainties and the management's assessments of financial impact related to COVID-19 Pandemic situation, for which a definitive assessment of the impact in subsequent period is dependent on future economic developments and circumstance as they evolve.

Our opinion is not modified in respect of this matter.

S.R. BATLIBOI & CO. LLP ★ GURUGRAM ★

Information Other than the 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 Annual report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS 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,

S.R. BATLIBOI & CO. LLP
GURUGRAM

individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS 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 Ins AS 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 adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the [standalone] financial statements, including the disclosures, and whether the [standalone] financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

S.R. BATLIBOI & CO. LLP GURUGRAM

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 including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended ;

   (e) The matter described in Emphasis of Matter - paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;

   (f) 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 is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

   (g) With respect to the adequacy of the internal financial controls with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (h) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid /provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

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

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 30 to the standalone Ind AS 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

      iv. a) The management has represented that, to the best of its knowledge and belief, that no funds have been advanced or loaned or invested (either from borrowed funds or share

S.R. BATLIBOI & CO. LLP GURUGRAM

premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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;

b) The management has represented that, to the best of its knowledge and belief, that no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. No dividend has been declared or paid during the year by the Company.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

S.R. BATLIBOI & CO. LLP
GURUGRAM

per Amit Yadav
Partner
Membership Number: 501753
UDIN: 22501753AURXSA7081

Place of Signature: Gurugram, Haryana
Date: September 24, 2022

Annexure 1 referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

Re: DEE Development Engineers Limited (the "Company")

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(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 maintained proper records showing full particulars of intangible assets.

(b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) 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) disclosed in note 3 to the financial statements are held in the name of the Company. These immovable properties are pledged with the banks and their title deeds are not available with the Company. The same has been independently confirmed by the bank.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2022.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii)(a) The inventory has been physically verified by the management during the year except for inventories for regular consumables in the nature of stores, spares and packing material and inventories lying with third party, which have not been verified during or at the end of the year . In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Discrepancies noted on physical verification of inventories were not 10% or more in aggregate for each class of inventory and have been properly dealt with in the books of account. Inventories lying with third parties have been confirmed by them as at March 31, 2022 and no discrepancies were noticed in respect of such confirmation.

(b) As disclosed in note 10 (B) to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks and financial institutions during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks and financial institutions are not in agreement with the unaudited books of accounts of the Company on account of timing difference in reporting to the banks and routine book closure process of the Company and the details of which are as follows.

S.R. BATLIBOI & CO. LLP * GURUGRAM *

Quarter ending	Value per books of account (A)	Value per quarterly return/statement (B)	Variance (A-B)
Inventory			
June 30	17,009	16,895	114
September 30	18,910	19,083	(173)
December 31	18,924	18,787	137
March 31	21,081	20,952	129
Debtors			
June 30	15,509	16,465	(956)
September 30	11,965	11,889	75
December 31	11,239	11,146	93
March 31	12,767	12,767	nil

(iii)(a) During the year the Company has provided loans, advances in the nature of loans, stood guarantee and provided security to companies as follows:

(Rs. in lacs)

Particulars	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount granted/ provided during the year - Subsidiaries	-	-	78.90	-
Balance outstanding as at balance sheet date in respect of above cases* - Subsidiaries	-	-	119.25	-

* Balances given in respect to cases where transaction during the year

(b) During the year the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans, investments and guarantees to companies, firms, Limited Liability Partnerships or any other parties are not prejudicial to the Company's interest.

(c) The Company has granted loans during the year to companies where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular, except for loan granted to wholly owned subsidiary, DEE Piping Systems (Thailand) Co. Ltd and Dee Fabricom India Private Limited that is repayable on demand. We are informed that the company has not demanded repayment of such loan during the year, and thus, there has been no default on the part of parties to whom money has been lent.

(d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.

(e) There were no loans or advance in the nature of loan granted to companies which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

S.R. BATLIBOI & CO. LLP GURUGRAM

(f) As disclosed in note 5(B) to the financial statements, the Company has granted loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Of these following are the details of the aggregate amount of loans or advances in the nature of loans granted to promoters or related parties as defined in clause (76) of section 2 of the Companies Act, 2013:

(Rs in Lacs)

	All Parties	Promoters	Related Parties
Aggregate amount of loans - Repayable on demand	7,260.02	-	7,260.02
Percentage of loans to the total loans	100%	-	100%

(iv) In our opinion and according to the information and explanation given to us, provisions of sections 185 and 186 of the Companies Act, 2013 in respect of loans to directors including entities in which they are interested and in respect of loans, advances made, investments, guarantees and security provided have been complied with by the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of Pre-fabricated piping equipment's, fittings and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii)(a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) The dues of 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, and other statutory dues have not been deposited on account of any dispute, are as follows:

(Rs in Lacs)

S.No	Name of Statute	Nature of Dues	Amount	Deposit Amount	Period to which the amount relates	Forum where dispute is pending
1	The Central Excise Act	Wrong availment of exemption and notification of excise duty for the clearances of goods	32.86	Nil	2002-03	Punjab and Haryana High Court, Chandigarh
2	The Finance Act 1994	Service tax liability on reimbursement of expenses	6.50	Nil	2014-15	CESTAT, Chandigarh

S.R. BATLIBOI & CO LLP ★ GURUGRAM ★

S.No	Name of Statute	Nature of Dues	Amount	Deposit Amount	Period to which the amount relates	Forum where dispute is pending
3	Income Tax Act 1961	Tax including interest on disallowance of expenses and transfer pricing adjustments	185.10	Nil	2017-18	Commissioner of Income Tax (Appeals)
4	Income Tax Act 1961	Tax including interest on disallowance of expenses and transfer pricing adjustments	2.50	Nil	2014-15	ITAT

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix)(a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) According to the information and explanations given to us and based on audit procedures performed by us, term loans were applied for the purpose for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

(x)(a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi)(a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

S.R. BATLIBOI & CO. LLP * GURUGRAM *

(xii)(a) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii)(a) of the Order are not applicable to the Company and hence not commented upon.

(b) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii)(b) of the Order are not applicable to the Company and hence not commented upon.

(c) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii)(c) of the Order are not applicable to the Company and hence not commented upon.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv)(a) According to the information and explanations given to us and based on audit procedures performed by us, the Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi)(a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current financial year. The Company has not incurred cash losses in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note 33 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that 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 guara

S.R. BATLIBOI & CO LLP * GURUGRAM *

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 Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 23(b) to the financial statements.

(xx)(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 23(b) to the financial statements.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Amit Yadav**
Partner
Membership Number: 501753
UDIN: 22501753AURXSA7081

S.R. BATLIBOI & CO LLP
GURUGRAM

Place of Signature: Gurugram, Haryana
Date: September 24, 2022

Annexure 2 to the Independent Auditor's report of even date on the Standalone Ind AS financial statements of DEE Development Engineers Limited

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 Ind AS financial statements of DEE Development Engineers Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone Ind AS 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 over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone Ind AS 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 these standalone Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone Ind AS financial statements included obtaining an understanding of internal financial controls with reference to these standalone Ind AS 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 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 these standalone Ind AS financial statements.

S.R. BATLIBOI & CO. LLP
GURUGRAM

Meaning of Internal Financial Controls with Reference to these Standalone Ind AS Financial Statements

A company's internal financial controls with reference to standalone Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone Ind AS 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Standalone Ind AS Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone Ind AS 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 Ind AS financial statements to future periods are subject to the risk that the internal financial control with reference to standalone Ind AS 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, adequate internal financial controls with reference to standalone Ind AS financial statements and such internal financial controls with reference to standalone Ind AS financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

S.R. BATLIBOI & CO. LLP * GURUGRAM *

per Amit Yadav
Partner
Membership Number: 501753
UDIN: 22501753AURXSA7081

Place of Signature: Gurugram, Haryana
Date: September 24, 2022

DEE Development Engineers Limited
Standalone Balance Sheet as at 31 March 2022

(Amt in INR Lacs)

	Particulars	Notes	As at 31 March 2022	As at 31 March 2021
	ASSETS			
(1)	**Non-current assets**			
	(a) Property, plant and equipment	3	20,954.83	21,072.61
	(b) Capital work-in-progress	3	426.48	144.80
	(c) Intangible assets	3 (a)	183.08	220.06
	(d) Right of use assets	36	239.52	229.72
	(e) Investment in subsidiaries and jointly controlled entity	4	6,820.12	5,712.02
	(f) Financial assets			
	(i) Loans	5(B)	7,140.77	6,959.21
	(ii) Others	5(D)	1,732.68	915.37
	(g) Other non-current assets	6	542.23	249.92
	Total non-current assets		**38,039.71**	**35,503.71**
(2)	**Current assets**			
	(a) Inventories	7	21,081.35	16,613.87
	(b) Financial assets			
	(i) Trade receivables	5(A)	12,766.90	18,066.01
	(ii) Cash and cash equivalents	5(C)	17.75	373.12
	(iii) Loans	5(B)	119.25	240.27
	(iv) Others	5(D)	2,553.50	2,907.40
	(c) Other current assets	6	4,450.90	3,076.55
	Total current assets		**40,989.65**	**41,277.22**
	Total Assets		**79,029.36**	**76,780.93**
	EQUITY AND LIABILITIES			
	Equity			
	(a) Equity share capital	8	1,060.78	1,569.27
	(b) Other equity	9	44,571.75	47,855.58
	Total equity		**45,632.53**	**49,424.85**
	LIABILITIES			
(1)	**Non-current liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	10(A)	1,648.55	809.37
	(ii) Lease Liabilities	12	214.42	199.77
	(b) Deferred tax liabilities (net)	15(C)	1,940.24	2,123.44
	(c) Provisions	13	-	95.34
	(d) Other non-current liabilities	14	95.92	93.15
	Total non-current liabilities		**3,899.13**	**3,321.07**
(2)	**Current liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	10(B)	19,475.71	16,064.68
	(ii) Lease Liabilities	12	59.73	53.71
	(iii) Trade payables			
	- total outstanding due of micro and small enterprises	16	449.86	238.24
	- total outstanding due of other than micro and small enterprises	16	7,946.14	6,317.94
	(iv) Other	11	321.45	83.95
	(b) Liabilities for current tax (net)	13A	3.41	-
	(c) Provisions	13	186.76	126.42
	(d) Other current liabilities	14	1,054.64	1,150.07
	Total current liabilities		**29,497.70**	**24,035.01**
	Total Equity and Liabilities		**79,029.36**	**76,780.93**
	Summary of significant accounting policies	2		

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date

For S. R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Amit Yadav
Partner
Membership No: 501753

S. R. BATLIBOI & CO. LLP GURUGRAM

Place : Gurugram
Date : September 24, 2022

For and on behalf of the Board of Directors of
DEE Development Engineers Limited

K.L. Bansal
Chairman & Managing Director
DIN No. 01125121

Ashima Bansal
Director
DIN No. 01928449

Ranjan Sarangi
Company Secretary
FCS-8604

Gaurav Narang
Chief Financial Officer

Place : Faridabad
Date : September 24, 2022

DEE Development Engineers Limited
Standalone Statement of Profit and Loss for the year ended 31 March 2022

(Amt in INR Lacs)

	Particulars	Notes	For the year ended 31 March 2022	For the year ended 31 March 2021
I	Revenue from operations	17	37,032.68	41,144.78
II	Other income	18	1,768.15	1,627.90
III	**Total Income (I+II)**		**38,800.83**	**42,772.68**
IV	**Expenses**			
	Cost of material consumed	19	17,902.69	18,126.88
	Purchases of stock in trade		113.52	38.83
	Changes in inventories of finished goods, stock in trade and work-in-progress	20	(1,853.40)	3,480.25
	Employee benefit expenses	21	5,755.34	4,990.98
	Depreciation and amortization expense	22	2,215.21	2,212.55
	Finance costs	24	1,899.72	1,935.53
	Other expenses	23	11,216.55	9,884.63
	Total expenses (IV)		**37,249.63**	**40,669.65**
V	**Profit before tax (III-IV)**		**1,551.20**	**2,103.03**
VI	**Tax expense:**			
(1)	Current tax		536.95	671.08
(2)	Adjustment related to earlier years		(29.84)	(12.85)
(3)	Deferred tax (credit)/ charge		(186.84)	(766.83)
VII	**Profit for the year (V-VI)**		**1,230.93**	**2,211.62**
VIII	**Other comprehensive income**	25		
	Items that will not be reclassified to profit or loss:			
	Re-measurement gain/(loss) on defined benefit plans		14.42	30.72
	Income tax effect		(3.63)	(7.87)
	Net Comprehensive gain/(loss)		**10.79**	**22.85**
IX	**Total comprehensive income for the year (net of tax) (VII+VIII)**		**1,241.72**	**2,234.47**
	Earnings per equity share nominal value of shares INR 10 each (Previous year INR 10 each):	26		
	- Basic earnings per share		11.04	14.09
	- Diluted earnings per share		11.04	14.09
	Summary of significant accounting policies	2		

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date

For S. R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Amit Yadav
Partner
Membership No: 501753

Place : Gurugram
Date : September 24, 2022

For and on behalf of the Board of Directors of
DEE Development Engineers Limited

K.L. Bansal
Chairman & Managing Director
DIN No. 01125121

Ashima Bansal
Director
DIN No. 01928449

Ranjan Sarangi
Company Secretary
FCS-8604

Gaurav Narang
Chief Financial Officer

Place : Faridabad
Date : September 24, 2022

DEE Development Engineers Limited
Standalone Statement of Cash Flows for the year ended 31 March 2022

(Amt in INR Lacs)

Particulars		For the year ended 31 March 2022	For the year ended 31 March 2021
A. Cash flow from operating activities			
Profit before income tax		**1,551.20**	**2,103.03**
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation and amortisation expense		2,215.21	2,212.55
Loss on sale/ discard of fixed assets (net)		6.02	7.98
Finance costs		1,899.72	1,935.53
Amortization of deferred revenue on advance received from MNRE		-	(5.70)
Amortization of deferred revenue obligation		-	(53.58)
Unrealized gain/loss on foreign exchange (net)		(239.28)	(342.07)
Sundry balances written off		-	2.17
Finance income		(576.82)	(705.42)
Operating profit before working capital changes		**4,856.05**	**5,154.49**
Working capital adjustments:			
Change in trade receivables		5,299.11	(88.30)
Change in inventories		(4,467.48)	5,901.14
Change in current/non-current financial assets		-	(4.16)
Change in other current/non-current assets		(1,399.91)	(581.91)
Change in trade payables		1,839.82	454.90
Change in provisions		(35.00)	(11.61)
Change in current/non-current financial liabilities		79.16	(246.92)
Change in other current/non-current liabilities		(92.66)	(3,065.58)
Cash generated/(used in) from operations		**6,079.09**	**7,512.04**
Direct tax paid		(519.10)	(637.45)
Net cash (outflow)/ inflow from operating activities	A.	**5,559.99**	**6,874.59**
B. Cash flow from investing activities			
Purchase of property, plant & equipment		(2,371.42)	(879.27)
Proceeds from sale of property, plant & equipment		15.68	5.96
Loans given to related party		(78.98)	(2,671.05)
Loan repayment from related party		200.00	1,676.86
Investment in wholly owned subsidiary company		(1,108.10)	(1.00)
Investments in bank deposits		(1,325.22)	(1,587.19)
Proceeds from redemption/ maturity of bank deposits		865.22	1,680.52
Buy back of Shares		(5,034.04)	-
Interest received		631.14	769.07
Net cash inflow/ (outflow) from investing activities	B.	**(8,205.71)**	**(1,006.10)**
C. Cash flow from financing activities			
Proceeds from borrowings		5,253.69	1,203.79
Repayment of borrowing		(1,003.47)	(4,756.56)
Interest paid		(1,891.91)	(1,935.57)
Principle repayment of lease liabilities		(43.63)	(31.25)
Interest Paid on lease liabilities		(24.32)	(19.11)
Net cash inflow/ (outflow) from financing activities	C.	**2,290.36**	**(5,538.70)**
Net (decrease) in cash and cash equivalents (A + B + C)		**(355.37)**	**329.79**
Opening balance of cash and cash equivalents		**373.12**	**43.32**
Closing balance of cash and cash equivalents		**17.75**	**373.11**

Notes:

1 The above cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, "Statement of Cash Flows"

S. R. BATLIBOI & CO. LLP GURUGRAM

DEE Development Engineers Limited
Standalone Statement of Cash Flows for the year ended 31 March 2022

(Amt in INR Lacs)

Particulars	As at 31 March 2022	As at 31 March 2021
Cash and cash equivalents		
Cash on hand	2.82	3.88
Balance with banks	14.93	369.24
Total	17.75	373.12

As per our report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Amit Yadav**
Partner
Membership No: 501753

Place : Gurugram
Date : September 24, 2022

For and on behalf of the Board of Directors of
DEE Development Engineers Limited

K.L. Bansal
Chairman & Managing Director
DIN No. 01125121

Ashima Bansal
Director
DIN No. 01928449

Ranjan Sarangi
Company Secretary
FCS-8604

Gaurav Narang
Chief Financial Office

Place : Faridabad
Date : September 24, 2022

DEE Development Engineers Limited
Standalone Statement of changes in equity for the year ended 31 March 2022

(Amt in INR Lacs)

A. **Equity share capital:**

Equity shares of INR 10 each issued, subscribed and fully paid	Equity Shares	
	No. in lacs	INR lacs
At 31 March 2020	156.93	1,569.27
Increase/ (decrease) during the year	-	-
At 31 March 2021	156.93	1,569.27
Increase/ (decrease) during the year (Refer Note 38)	(50.85)	(508.49)
At 31 March 2022	106.08	1,060.78

B. **Other equity**

Particulars	Reserves and Surplus				Total
	Securities Premium	General reserve	Capital Redemption Reserve	Retained earnings	
Balance as at 31 March 2020	16,730.93	4,585.71	-	24,304.46	45,621.10
Add/ (less):					
Profit for the year	-	-	-	2,211.63	2,211.63
Other comprehensive income for the year	-	-	-	22.85	22.85
Balance as at 31 March 2021	16,730.93	4,585.71	-	26,538.94	47,855.58
Add/ (less):					
Profit for the year	-	-	-	1,230.93	1,230.93
Other comprehensive income for the year	-	-	-	10.79	10.79
Adjustment on account of Buy Back of shares (Refer Note no 38)	-	(508.49)	508.49	(4,525.55)	(4,525.55)
Balance as at 31 March 2022	16,730.93	4,077.22	508.49	23,255.11	44,571.75

As per our report of even date

For S. R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Amit Yadav
Partner
Membership No: 501753

Place : Gurugram
Date : September 24, 2022

For and on behalf of the Board of Directors of
DEE Development Engineers Limited

K.L. Bansal
Chairman & Managing Director
DIN No. 01125121

Ashima Bansal
Director
DIN No. 01928449

Ranjan Sarangi
Company Secretary
FCS-8604

Gaurav Narang
Chief Financial Officer

Place : Faridabad
Date : September 24, 2022

1. Corporate Information

Dee Development Engineers Limited ("the Company") is a Limited Company domiciled in India and incorporated under the provisions of the Companies Act. The Company is mainly engaged in manufacturing of Pre-fabricated Engineering Products, Pipe Fittings, Piping Systems and Biomass based Power Generation. It has manufacturing facilities at Tatarpur (Haryana), Barmer (Rajasthan) and Power Generation Plant at Abohar (Punjab). The financial statements were approved for issue in accordance with a resolution of the directors on September 24,2022

2 Significant Accounting Policies

a. Basis of preparation

The standalone financial statements ('financial statements') of the Company have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs ('MCA') under Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (Ind AS compliant Schedule III), as applicable to the standalone financial statements.

The standalone financial statements have been prepared on a going concern basis in accordance with accounting principles generally accepted in India. Further, the standalone financial statements have been prepared on historical cost basis except for certain financial assets, financial liabilities:
(i) Certain financial assets and liabilities measured at fair value (refer accounitng poliy regarding financial instruments),
(ii) Defined benefit plan- plan assets measured at fair value and
(iii) Derivative financial instruments.

The financial statements are presented in INR and all values are rounded to the nearest lacs (INR 00,000), except when otherwise stated.

b. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of income and expenses of the period, reported balances of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between actual result and estimates are recognised in the period in which the results are known/materialise.

c. Current vs Non Current Classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:
- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:
- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

d. Foreign currencies

The Company's financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency.

Transaction and balances

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Company had availed the option of Para 46 A if AS 11 under previous GAAP and also same option has been continued under IND AS as per option given under IND AS 101 and accordingly exchange differences arising on translation of long-term foreign currency monetary items for the period ending immediately before the beginning of the first Ind AS financial reporting period is deferred/capitalised. A long-term foreign currency monetary item is an item having a term of 12 months or more at the date of its origination.

S.R. BATLIBOI & CO. LLP GURUGRAM

e. Revenue from contract with customer

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

The Company collects Goods and service tax (GST) on behalf of the government and therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of Goods

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer, generally on delivery of the equipment. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.
In determining the transaction price for the sale of equipment, the Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

(i) Variable consideration

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Rendering of Services

Revenue from erection and services and revenue from job work is recognised as per the contractual terms and as and when services are rendered. The Company collects Goods and service tax (GST) on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

Interest Income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Sale of Electricity

Revenue from sales of electricity is billed on the basis of recording of supply of electricity through installed meters. Revenue from sales of electricity is accounted for on the basis of billing to customers based on billing cycles followed by the Company.

f. Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (p) Financial instruments – initial recognition and subsequent measurement.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract

g. Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as an income in equal amounts over the expected useful life of the related asset.

When the Company receives grant for non-monetary assets, the asset and the grant are recorded at fair value amounts and released to Profit or Loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

h. Taxation

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

S.R. BATLIBOI & CO. LLP
GURUGRAM

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

i. Property, Plant and Equipment

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. All the property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

The Company, based on technical assessment made by technical expert and management estimate, depreciates plant and machineries of piping division over estimated useful lives of 10 to 25 years which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

In case of other assets, depreciation has been provided on straight line method on the economic useful life prescribed by Schedule II to the Companies Act'2013. Depreciation on addition to or on disposal of Fixed Asset is calculated on pro rata basis. Addition, to Fixed Assets costing less than or equal to Rs. 5,000 are depreciated fully in the year of purchase.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

j. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Amortisation of the finite intangible assets is allocated on systematic basis over the best estimate of their useful life and accordingly softwares are amortised on straight line basis over the period of six years or license period which ever is lower.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised. The Company has no intangible assets with an indefinite life.

k. Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

l. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

S. R. BATLIBOI & CO. LLP * GURUGRAM *

(a) Right-of-use asset

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Particulars	Useful life (years) As per Management
Leasehold Land	5-10
Computer and data processing equipment	4

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (2.n) Impairment of non-financial assets.

(b) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

(c) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

m. Inventories

Inventories are valued as follows:-

Raw materials, Stores, Spares, Other Materials and Traded Goods	Lower of cost and net realizable value. However, materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated, are expected to be sold at or above cost. Cost is determined on weighted average cost basis. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.
Finished goods	Lower of cost and net realizable value. Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average cost basis.
Work in Progress	Work in Progress is valued at the lower of actual cost incurred or net realizable value. Cost includes direct materials, labour and proportionate overheads.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

n. Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company's of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

S.R. BATLIBOI & CO. LLP
GURUGRAM

o. Provisions

A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. If the effect of time value of money is material, provisions are discounted using a pre-tax rate that reflects when appropriate, the risks specific to the liability.

p. Retirement and other employee benefits

(i) Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

(ii) Gratuity is a defined benefit plan and provision is being made on the basis of actuarial valuation carried out by an independent actuary at the year end using projected unit credit method, and is contributed to the Gratuity fund managed by the Life Insurance Corporation of India.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Compensated Absences

Accumulated leave which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to statement of Profit and Loss in the period in which they occur. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

q. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

S.R. BATLIBOI & CO. LLP
GURUGRAM

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of Profit and Loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

► The rights to receive cash flows from the asset have expired, or

► The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets. The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

► All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument

► Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the statement of Profit and Loss.

S. R. BATLIBOI & CO. LLP
GURUGRAM

Financial liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, trade and other payables. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including cash credit and financial guarantee contracts.

Subsequent measurement
The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through Statement of profit and loss.

Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

r. Derivative financial instruments
The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.
Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

s. Fair Value measurement
The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
► In the principal market for the asset or liability, or
► In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.
The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
► Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
► Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
► Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's management determines the policies and procedures for recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. The management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

S.R. BATLIBOI & CO. LLP
GURUGRAM

t. Contingent liability

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements unless the probability of outflow of resources is remote.

Provisions and contingent liabilities are reviewed at each balance sheet date.

u. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Board of Directors identified as chief operating decision-maker (CODM). The CODM is responsible for allocating resources and assessing performance of the operating segments. Segments are organised based on type of services delivered or provided. Segment revenue arising from third party customers is reported on the same basis as revenue in the standalone Ind AS financial statements. Segment results represent profits before unallocated corporate expenses and taxes. "Unallocated Corporate Expenses" include expenses that relate to costs attributable to the Company as a whole and are not attributable to segments.

v. Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above as they are considered an integral part of the Company's cash management.

w. Dividend Distributions

The Company recognises a liability to make cash to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

x. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss (after tax) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share when applicable are calculated by dividing the net profit or loss (after tax) for the year attributable to equity shareholders by the weighted average number of equity shares which would be issued on the conversion of all the dilutive potential equity shares into equity shares. Dilutive potential equity shares when applicable are deemed converted as of the beginning of the period, unless they have been issued at a later date.

2.1 New and amended Standard

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 Apr 2021. Theses amendments do not have a material impact on the standalone financial statements of the Company. The Company has not early adopted any standards or amendments that have been issued but are not yet effective.

(i) Interest Rate Benchmark Reform – Phase 2: Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR).

The amendments include the following practical expedients:
•A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest
•Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued
•Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

These amendments had no impact on the standalone financial statements of the Company.

(ii) Conceptual framework for financial reporting under Ind AS issued by ICAI

The Framework is not a Standard and it does not override any specific standard. Therefore, this does not form part of a set of standards pronounced by the standard-setters. While, the Framework is primarily meant for the standard-setter for formulating the standards, it has relevance to the preparers in certain situations such as to develop consistent accounting policies for areas that are not covered by a standard or where there is choice of accounting policy, and to assist all parties to understand and interpret the Standards.

The amendments made in following standards due to Conceptual Framework for Financial Reporting under Ind AS includes amendment of the footnote to the definition of an equity instrument in Ind AS 102- Share Based Payments, footnote to be added for definition of liability i.e. definition of liability is not revised on account of revision of definition in conceptual framework in case of Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets etc.

The MCA has notified the Amendments to Ind AS consequential to Conceptual Framework under Ind AS vide notification dated 18 June 2021, applicable for annual periods beginning on or after 1 April 2021. Accordingly, the Conceptual Framework is applicable for preparers for accounting periods beginning on or after 1 April 2021.

These amendments had no impact on the standalone financial statements of the Company.

(iii) Ind AS 116: COVID-19 related rent concessions

MCA issued an amendment to Ind AS 116 Covid-19-Related Rent Concessions beyond 30 June 2021 to update the condition for lessees to apply the relief to a reduction in lease payments originally due on or before 30 June 2022 from 30 June 2021. The amendment applies to annual reporting periods beginning on or after 1 April 2021.
Since Company's current practice is in line with the clarifications issued, there is no material effect on the standalone financial statements of the Company.

S. R. BATLIBOI & CO. LLP
GURUGRAM

(iv) Ind AS 103: Business combination

The amendment states that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Framework for the Preparation and Presentation of Financial Statements in accordance with Indian Accounting Standards issued by the Institute of Chartered Accountants of India at the acquisition date. Therefore, the acquirer does not recognise those costs as part of applying the acquisition method. Instead, the acquirer recognises those costs in its post-combination financial statements in accordance with other Ind AS.

This amendment had no impact on the standalone financial statements of the Company but may impact future periods should the Company enter into any business combinations

(v) Amendment to Ind AS 105, Ind AS 16 and Ind AS 28

The definition of "Recoverable amount" is amended such that the words "the higher of an asset's fair value less costs to sell and its value in use" are replaced with "higher of an asset's fair value less costs of disposal and its value in use". The consequential amendments are made in Ind AS 105, Ind AS 16 and Ind AS 28.
These amendments had no impact on the standalone financial statements of the Company.

Amendments to the Schedule III of the Companies Act, 2013

On 24 March 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from 1 April 2021.
Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

(i) Balance Sheet:

•Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
•Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
•Specified format for disclosure of shareholding of promoters.
•Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
•If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
•Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

(ii) Statement of profit and loss:

Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of financial statements.

The above disclosure amendments were extensive and the appropriate effect (to the extent applicable) to them, as required by law has been given in the standalone financial statements of the Company.

2.2 Standards issued but not yet effective

There are no new standards that are notified, but not yet effective, upto the date of issuance of the these financial statements.

S. R. BATLIBOI & CO. LLP
GURUGRAM

(Amount in INR Lacs)

3 Property, plant and equipment

Particulars	Freehold land	Buildings	Furniture & fittings	Plant & machinery	Electrical installations and equipment	Office equipment	Motor vehicles	Computers and data processing equipment	Ropeway Structure	Roads	Moulds & dies	Hydraulic works, pipelines	Total	Capital work-in- progress
Gross block														
As at 01 April 2020	2,598.15	7,770.23	560.61	15,204.29	847.71	121.67	679.58	686.14	37.39	125.28	649.85	157.94	29,438.84	188.02
Additions	-	118.62	18.27	565.98	3.50	12.45	3.36	120.41	-	-	53.09	-	895.68	86.19
Disposal/transfer	-	-	-	(94.41)	-	-	(7.96)	(152.31)	-	-	-	-	(254.68)	(129.41)
As at 31 March 2021	2,598.15	7,888.85	578.88	15,675.86	851.21	134.12	674.98	654.24	37.39	125.28	702.94	157.94	30,079.84	144.80
Additions	-	442.05	127.10	1,243.42	46.52	7.19	34.64	102.80	-	-	-	-	2,003.72	745.93
Disposal/transfer	-	-	-	(28.70)	(12.29)	(0.80)	(16.84)	(16.72)	-	-	-	-	(75.35)	(464.25)
As at 31 March 2022	2,598.15	8,330.90	705.98	16,890.58	885.44	140.51	692.78	740.32	37.39	125.28	702.94	157.94	32,008.21	426.48
Accumulated depreciation														
As at 01 April 2020	-	1,155.86	266.58	4,281.20	402.59	82.30	247.68	404.34	10.18	54.24	202.49	53.48	7,160.94	-
Charge for the year	-	362.53	56.53	1,236.92	105.95	13.48	78.88	133.24	2.66	13.55	70.15	13.13	2,087.03	-
Disposal/Adjustment	-	-	-	(94.41)	-	-	(3.63)	(142.69)	-	-	-	-	(240.74)	-
As at 31 March 2021	-	1,518.39	323.11	5,423.71	508.54	95.78	322.93	394.89	12.84	67.79	272.64	66.61	9,007.23	-
Charge for the year	-	378.14	60.05	1,258.58	97.80	12.04	77.60	115.79	2.66	13.55	70.68	13.12	2,100.01	-
Disposal/Adjustment	-	-	-	(21.37)	(11.30)	(0.34)	(7.50)	(13.35)	-	-	-	-	(53.86)	-
As at 31 March 2022	-	1,896.53	383.16	6,660.92	595.04	107.48	393.03	497.33	15.50	81.34	343.32	79.73	11,053.38	-
Net Block:														
As at 31 March 2021	2,598.15	6,370.46	255.77	10,252.15	342.67	38.34	352.05	259.35	24.55	57.49	430.30	91.33	21,072.61	144.80
As at 31 March 2022	2,598.15	6,434.37	322.82	10,229.66	290.40	33.03	299.75	242.99	21.89	43.94	359.62	78.21	20,954.83	426.48

Notes:

i) On transition to Ind AS (i.e. 1 April 2015), the Company has elected to continue with the carrying value of all Property, plant and equipment measured as per previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.

ii) Capital work-in-progress
Capital work-in progress is comprised of expenditure on buildings under course of construction in respect of factory buildings and expenditure on plant & machinery.

iii) Property plant and equipment pledged as security
Refer note 10(A) and 10(B) for information on property, plant and equipment pledged as security for borrowings by the Company.

iv) Assets held with third party
Plant and Machinery includes Gross Block of INR 97.88 lacs, net block of INR 34.28 lacs.(31 March 2021: Gross block of INR 166.53 lacs, net block of INR 79.43 lacs.) held by third party.

S. R. BATLIBOI & CO. LLP * GURUGRAM *

v) **Capital work in progress (CWIP) Ageing Schedule**

As at 31 March 2022

(Amount in INR Lacs)

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress#	358.39	23.10	44.99	-	426.48
Projects temporarily suspended	-	-	-	-	-
Total	**358.39**	**23.10**	**44.99**	**-**	**426.48**

As at 31 March 2021

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress#	69.29	75.51	-	-	144.80
Projects temporarily suspended	-	-	-	-	-
Total	**69.29**	**75.51**	**-**	**-**	**144.80**

There are no projects in progress under capital-work-in progress whose completion is overdue or has exceeded its cost compared to its original plan.

S. R. BATLIBOI & CO. LLP * GURUGRAM *

(Amount in INR Lacs)

3 (a) Intangible assets

Particulars	Software	Total
Gross block		
As at 1 April 2020	560.09	560.09
Additions	74.43	74.43
Disposal	-	-
As at 31 March 2021	634.52	634.52
Additions	23.76	23.76
Disposal	(0.24)	(0.24)
As at 31 March 2022	658.04	658.04
Accumulated Amortisation		
As at 1 April 2020	338.82	338.82
Charge for the year	75.64	75.64
Disposal	-	-
As at 31 March 2021	414.46	414.46
Charge for the year	60.70	60.70
Disposal	(0.20)	(0.20)
As at 31 March 2022	474.96	474.96
Net Block:		
As at 31 March 2021	220.06	220.06
As at 31 March 2022	**183.08**	**183.08**

Note to the Intangible assets:
On transition to Ind AS (i.e. 1 April 2015), the Company has elected to continue with the carrying value of all intangible measured as per previous GAAP and use that carrying value as the deemed cost of intangible assets.

'------------------This page has been intentionally left blank-----------------

(Amount in INR Lacs)

4 Investment

Particulars	As at 31 March 2022	As at 31 March 2021
Investments at cost:		
Unquoted:		
A. Investment in subsidiaries		
Investment in equity shares of subsidiary companies		
a. In Malwa Power Private Ltd. - 122,09,680 (31 March 2021: 122,09,680) equity shares of Rs. 10/- each fully paid up	897.80	897.80
b. In Dee Fabricom India Private Ltd. - 90,00,000 (31 March 2021: 90,00,000) equity shares of Rs. 10/- each fully paid up	900.00	900.00
c. In Dee Piping Systems Thailand Co., Ltd # - 4,96,63,300 (31 March 2021: 400,00,000) equity shares of THB 5/- each THB fully paid up	5,021.32	3,913.22
d. In Atul Krishan Bansal Foundation - 10,000 (31 March 2021: 10,000) equity shares of Rs 10/- each fully paid up	1.00	1.00
	6,820.12	5,712.02
B. Investment in jointly controlled entity*		
a. In DEE Fabricom LLC		85.48
- Nil (31 March 2021: 49) equity shares of AED 10,000 each at AED 10,000/- paid up		
Less : Impairment in value of investment of Dee Fabricom LLC		(85.48)
	-	-
Total investments	**6,820.12**	**5,712.02**
Aggregate amount of unquoted investment	**6,820.12**	**5,797.50**
Aggregate amount of impairment in value of investment	-	**85.48**

The Company has made strategic investment in subsidiary to have wider market spread and overall growth of group. Subsidiary is in initial stage of its operation therefore it is incurring losses. Based on the projections and business plans of Company, there are no indicators for impairment.

*In current year, company in its Board of Director's meeting held on September 20, 2021 passed a resolution approving winding up of its joint controlled entity Dee Fabricom LLC, Dubai and accordingly, initiated the completion of closure formalities
Accordingly, company has completed the completion formalities and trade licence has been deregistered as per UAE laws on March 29, 2021. Further, subsequent to deregistration of trade licence, VAT number has also been De-registered and closure certificate is issued by the Federal Tax Authority dated 13th January, 2022.
Thus, the jointly controlled entity stands closed and the same has been reported by the company with RBI

All the investment in equity shares of subsidiaries and jointly controlled entity are valued at cost as per IND AS 27 'Separate Financial Statement'

5 Financial assets

5(A) Trade receivables

Particulars	Current As at 31 March 2022	Current As at 31 March 2021
Unsecured, considered good		
Trade receivables	12,766.90	18,007.82
Trade receivables from related parties(refer note 29)	-	58.19
Total receivables	**12,766.90**	**18,066.01**

-No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person Nor any trade or other receivable are due from firms or private companies, respectively in which any director is a partner, a director or a member except as disclosed above.

-For terms and conditions relating to related party receivables, refer note 29

-Trade receivables are non-interest bearing and are generally on terms of 30 to 180 days

Trade receivables Ageing Schedule#

As at 31 March 2022

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed							
- Considered good	9,735.80	2,035.90	304.87	21.64	423.02	-	12,521.23
- Credit impaired	-	-	-	-	-	-	-
Disputed							
- Considered good	-	-	-	-	-	245.67	245.67
- Credit impaired	-	-	-	-	-	-	-
TOTAL	**9,735.80**	**2,035.90**	**304.87**	**21.64**	**423.02**	**245.67**	**12,766.90**

As at 31 March 2021

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed							
- Considered good	13,475.61	3,233.80	453.22	833.69	69.69	-	18,066.01
- Credit impaired	-	-	-	-	-	-	-
Disputed							
- Considered good	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
TOTAL	**13,475.61**	**3,233.80**	**453.22**	**833.69**	**69.69**	-	**18,066.01**

S.R. BATLIBOI & CO. LLP * GURUGRAM *

(Amount in INR Lacs)

5(B) Loans (unsecured, considered good unless otherwise stated)

Particulars	Non-current As at 31 March 2022	Non-current As at 31 March 2021	Current As at 31 March 2022	Current As at 31 March 2021
Financial assets carried at amortised cost:				
Inter corporate loan to a related party (refer note 29)	7,140.77	6,959.21	119.25	240.27
Total loans	7,140.77	6,959.21	119.25	240.27

Details related to loan or advances in the nature of loans granted to promoters, directors, KMP's and related parties that are repayable on demand or without specifying any terms or period of repayment

Type of Borrower	As at 31 March 2022 Amount of loan or advance in the nature of loan outstanding	As at 31 March 2022 % of total Loans and Advances in the nature of loans	As at 31 March 2021 Amount of loan or advance in the nature of	As at 31 March 2021 % of total Loans and Advances in the nature of loans
Loan to Promoters	-	-	-	-
Loan to Directors	-	-	-	-
Loan to KMPs	-	-	-	-
Loan to Related parties	7,260.02	100%	7,199.48	100%
Total	7,260.02	100%	7,199.48	100%

5(C) Cash and cash equivalents

Particulars	As at 31 March 2022	As at 31 March 2021
Cash on hand	2.82	3.88
Balances with banks	14.93	369.24
Total	17.75	373.12
Bank balances other than cash and cash equivalents		
Deposits with		
- Original maturity for less than twelve months*	2,484.32	2,740.90
- Original maturity for more than twelve months*	762.93	392.22
	3,247.25	3,133.12
-Less: amount disclosed under other financial assets (Note5(D))	(3,247.25)	(3,133.12)
Total	-	-

* Deposits given as margin money against non fund based facilities (letter of credit, buyer's credit, bank guarantee) and collateral security
As at 31 March 2022, the Company has INR 1,169.49 lacs (31 March 2021: INR 6,019.30 lacs) of undrawn borrowing facilities from various banks.

5(D) Other financial assets

Particulars	Non-current As at 31 March 2022	Non-current As at 31 March 2021	Current As at 31 March 2022	Current As at 31 March 2021
Unsecured considered good unless otherwise stated				
Financial assets classified at amortised cost:				
Term deposits with original maturity beyond 12 months *	762.93	392.22	-	-
Term deposits with original maturity less than 12 months*	-	-	2,484.32	2,740.90
Interest receivable (refer Note 29 for related party balances)	890.48	448.51	0.98	55.30
Security deposits	79.27	74.64	10.48	6.80
Financial assets classified at fair value through profit or loss:				
Foreign exchange forward contracts (refer note (a) below)	-	-	57.72	104.40
Total	1,732.68	915.37	2,553.50	2,907.40

* Deposits given as margin money against non fund based facilities (letter of credit, buyer's credit, bank guarantee) and collateral security

Note:

a. while the Company entered into foreign exchange forward contracts with the intention of reducing the foreign exchange risk of expected sales and purchases, these contracts are not designated in hedge relationships and are measured at fair value through profit or loss.

S. R. BATLIBOI & CO. LLP
GURUGRAM

(Amount in INR Lacs)

Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

Particulars	Cash and cash equivalents (a)	Non current Borrowing (b)	Current Borrowing (c)	Total (d=b+c-a)
Net debt as at 1 April 2020	43.32	1,370.88	19,069.41	20,396.97
Cash flows	329.80	497.53	(4,050.31)	(3,882.58)
Foreign exchange adjustments	-	-	(69.11)	(69.11)
Interest expenses including borrowing charges	-	261.57	1,608.76	1,870.33
Interest paid	-	(261.57)	(1,674.00)	(1,935.57)
Other non-cash movement				
Transaction cost adjustment	-	2.66	118.23	120.89
Net debt as at 31 March 2021	**373.12**	**1,871.07**	**15,002.98**	**16,500.93**

Particulars	Cash and cash equivalents (a)	Non current Borrowing (b)	Current Borrowing (c)	Total (d=b+c-a)
Net debt as at 1 April 2021	373.12	1,871.07	15,002.98	16,500.93
Cash flows	(355.37)	591.82	3,658.39	4,605.58
Foreign exchange adjustments	-	-	(10.24)	(10.24)
Interest expenses including borrowing charges	-	100.63	1,732.84	1,833.47
Interest paid	-	(100.63)	(1,791.28)	(1,891.91)
Other non-cash movement				
Transaction cost adjustment	-	-	68.68	68.68
Net debt as at 31 March 2022	**17.75**	**2,462.89**	**18,661.37**	**21,106.51**

6 **Other assets**

Particulars	Non-current As at 31 March 2022	Non-current As at 31 March 2021	Current As at 31 March 2022	Current As at 31 March 2021
Unsecured considered good unless otherwise stated				
Capital advances	428.68	191.76	-	-
Prepaid expenses	113.55	58.16	349.95	170.82
Income tax recoverable (net of provision for tax)	-	-	31.47	1.63
Advance to suppliers	-	-	638.41	725.10
Export entitlement receivable	-	-	383.51	595.50
Advance to employees	-	-	12.55	11.71
Balance with government authorities	-	-	3,035.01	1,571.79
Total (A)	**542.23**	249.92	**4,450.90**	3,076.55
Unsecured considered Doubtful				
Advance to suppliers	-	-	-	65.39
Less : Provision for doubtful advance	-	-	-	(65.39)
Total (B)	-	-	-	-
Total other assets (A + B)	**542.23**	**249.92**	**4,450.90**	**3,076.55**

7 **Inventories**

(Valued at lower of cost and net realizable value)

Particulars	As at 31 March 2022	As at 31 March 2021
Raw materials	12,389.93	10,926.08
Raw material in transit	678.96	265.34
Finished goods	1,746.01	683.39
Stock in trade	30.14	24.86
Work in progress	4,250.04	3,464.55
Stores and spares	1,628.23	933.56
Packing materials	358.04	316.09
Total inventories	**21,081.35**	**16,613.87**

S.R. BATLIBOI & CO. LLP GURUGRAM

(Amount in INR Lacs)

8 **Equity share capital**

(A) **Authorised share capital:**

Particulars	Equity shares		Compulsorily convertible Preference shares	
	No. in lacs	INR lacs	No. in lacs	INR lacs
As at 31 March 2020	187.50	1,875.00	62.50	625.00
Increase/ (decrease) during the year	-	-	-	-
As at 31 March 2021	187.50	1,875.00	62.50	625.00
Increase/ (decrease) during the year	-	-	-	-
As at 31 March 2022	187.50	1,875.00	62.50	625.00

(B) **Terms/ rights attached to equity shares:**

The company has only one class of equity shares having par value of INR 10 per share. Each shareholder is entitled to one vote per share. The dividend except interim dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the equity shareholders will be entitled to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(C) **Issued and paid up equity share capital**

Particulars	No. in lacs	INR lacs
Equity shares of INR 10 each issued, subscribed and fully paid		
As at 31 March 2020	156.93	1,569.27
Increase/ (decrease) during the year	-	-
As at 31 March 2021	156.93	1,569.27
Increase/ (decrease) during the year (refer note 9)	(50.85)	(508.49)
As at 31 March 2022	106.08	1,060.78

(D) **Details of shareholders holding more than 5% shares in the Company**

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. in lacs	% of holding	No. in lacs	% of holding
Mr. K. L. Bansal	79.28	74.74%	79.28	50.52%
First Carlyle Ventures III	-	-	50.81	32.38%
DDE Piping Component Pvt. Ltd.	15.07	14.20%	14.94	9.52%
Mrs. Ashima Bansal	8.80	8.30%	8.80	5.61%

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 ownership of shares.

(E) There are no equity shares issued as bonus, shares issued for consideration other than cash during the period of five years immediately preceding the reporting date. Further, as stated in note no 9 company has bought back Nos 5,084,872 equity shares of face value Rs 508.49 lacs

(F) **Promoter shareholding :**

Details of shares held by promoters
As at 31 March 2022

S.No	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of INR 10 each fully paid	Mr. Krishan Lalit Bansal	79,27,837	-	79,27,837	74.74%	-
	DDE Piping Component pvt Ltd	14,93,811	12,744	15,06,555	14.20%	0.85%
	Mrs. Ashima Bansal	8,79,990	-	8,79,990	8.30%	-
	Mr. Atul Krishan Bansal	2,93,326	-	2,93,326	2.77%	-
	Mrs. Shikha Bansal	100	-	100	0.0009%	-
	Mrs. Charu Agarwal	10	-	10	0.0001%	-
	Mrs. Shruti Aggarwal	10	-	10	0.0001%	-
Total		1,05,95,084	12,744	1,06,07,828	100.00%	

As at 31 March 2021

S.No	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of INR 10 each fully paid	Mr. Krishan Lalit Bansal	79,27,837	-	79,27,837	50.52%	-
	DDE Piping Component pvt Ltd	14,93,811	-	14,93,811	9.52%	-
	Mrs. Ashima Bansal	8,79,990	-	8,79,990	5.61%	-
	Mr. Atul Krishan Bansal	2,93,326	-	2,93,326	1.87%	-
	Mrs. Shikha Bansal	100	-	100	0.0006%	-
	Mrs. Charu Agarwal	10	-	10	0.0001%	-
	Mrs. Shruti Aggarwal	10	-	10	0.0001%	-
Total		1,05,95,084	-	1,05,95,084	67.52%	

S. R. BATLIBOI & CO. LLP ★ GURUGRAM ★

(Amount in INR Lacs)

9 Other equity

Particulars	As at 31 March 2022	As at 31 March 2021
(A) Securities premium		
Opening balance	16,730.93	16,730.93
Increase/ (decrease) during the year	-	-
Closing balance	**16,730.93**	**16,730.93**
(B) General reserve		
Opening balance	4,585.71	4,585.71
Increase/ (decrease) during the year	(508.49)	-
Closing balance	**4,077.22**	**4,585.71**
(C) Capital Redemption Reserve		
Opening balance	-	-
Increase/ (decrease) during the year#	508.49	-
Closing balance	**508.49**	-
(D) Retained earnings		
Opening balance	26,538.94	24,304.46
Add: Profit for the year	1,230.93	2,211.63
Other comprehensive income/ (loss) for the year*	10.79	22.85
Less : Buy Back of Shares#	(4,525.55)	-
Closing balance	**23,255.11**	**26,538.94**
* The disaggregation of changes in OCI by each type of reserves in equity is disclosed in note 25.		
Total reserves	44,571.75	47,855.58

Nature and purpose of reserves :

Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

General reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

Capital redemption reserve

The same has been created in accordance with provision of the Companies Act, 2013 with respect to buy back of equity shares during the year

Retained earnings

Represents surplus in the statement of profits and loss.

#Buyback of Equity shares

During the year, the Company has concluded the buyback of 5,084,891 equity shares of face value of Rs 10/- each at a price of Rs. 99 per equity share ("Buyback") for an aggregate amount of Rs 5,034.04 lacs, as approved earlier by the Board of Directors on May 07, 2021 and approval of shareholders through special resolution passed in extra ordinary general Meeting dated May 08, 2021. Buyback was done at record date of May 08, 2021 and the equity shares bought back were extinguished on May 17, 2021. Total outflow of Rs 5,034.04 lacs has been utilised from the share capital, general reserves and retained earnings, in line with the requirement under the Companies Act 2013.

Additionally, Capital Redemption Reserve of Rs 508.49 lacs (equivalent to nominal value of the equity shares bought back) has been created out of retained earnings, in line with the requirement under the Companies Act 2013. Consequent to extinguishment of shares so bought back, the paid-up equity share capital has been reduced by Rs. 508.49 lacs.

10 Borrowings

(A) Long-term borrowings

Particulars	Non-current portion		Current maturities	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Secured				
Term Loan				
a. From Banks (refer note (a - d) below)	1,559.79	787.85	778.12	1,021.48
b. Vehicle Loan from Banks (refer note (e) below)	88.76	21.52	36.22	40.22
	1,648.55	809.37	814.34	1,061.70
Less: current maturities of long term debts disclosed under short term borrowings - refer note 10(B)	-	-	(814.34)	(1,061.70)
Total	1,648.55	809.37	-	-

S.R. BATLIBOI & CO LLP
GURUGRAM

(Amount in INR Lacs)

Repayment Schedule of long term borrowing : non-current portion

Particulars	As at 31 March 2022 INR	Repayment Instalments	As at 31 March 2021 INR	Repayment Instalment
(i) 1 YR MCLR of 7.25% + BSS of 0.20% + CRP of 1.40% presently effectively 8.65% p.a. (31 March 2021 : 1 YR MCLR of 7.35% + BSS of 0.20% + CRP of 1.40% presently effectively 8.95% p.a. (refer note a)	225.00	5 equal quarterly instalments	420.45	9 equal quarterly instalments
(ii) 1 Year MCLR + 1% presently 8.25% effectively with monthly rest (March 31 2021 : 7.35% effectively with monthly rest) (refer note d)	1,337.29	43 equal monthly instalments	354.40	6 equal monthly instalments
(iii) Presently 8.35% to 10.15% (31 March 2021 : 8.35% to 10.15%) (Refer Note e)	88.76	1-20 equal monthly instalments	21.82	1-20 equal monthly instalments
	1,648.85		809.37	

a) Term loan from bank secured by first pari passu charge on both movable and immovable fixed assets (barring few specific fixed assets) of Piping Division of the Company

b) First pari passu charge on all the current assets of Piping unit and Power unit, both present and future along with book-debts, bills, outstanding monies and receivables,all the fixed assets of power unit, Immovable property of 1770 Sq. Yard situated at Jamla Road, Tatarpur Industrial area, Modinpur of Piping unit, all the fixed assets situated at Chennai, Fixed deposit of Rs. 350 lacs and exclusive charge on fixed deposit of Rs. 15 lacs in favour of Bank of India.

Further, there is Second pari passu charge on all the movable fixed assets, both present and future, of piping unit (excluding assets given against first pari passu charge) and Residential house of Promoter situated at 1255, sector 14, Faridabad.

c) Further, term loans are secured by Irrevocable and unconditional, joint and several personal guarantee of the promoters and corporate guarantee of DEE Piping Components Private Limited

d) Guaranteed Emergency Credit Line (GECL) loan is secured by second charge of all the primary/collateral security available for existing facility from Bank of India

e) Vehicle loan from bank secured by the vehicle of the Company financed under the scheme

(B) Short-term borrowings

Particulars	As at 31 March 2022	As at 31 March 2021
Secured		
a) Cash credits and WCDL (refer note a and b below)		
(i) Cash credit	4,356.94	865.12
(ii) Export Packing Credit	409.33	-
(iii) Working capital demand loan	13,778.11	13,112.56
b) Current maturities of long-term debts (refer note 10(A))	833.34	1,081.79
Unsecured		
Buyer's credit and Bill Discounting from banks	1,100.07	1,027.08
Total	20,475.71	16,086.63

Notes:

a) First pari passu charge on all the current assets of Piping unit and Power unit, both present and future along with book-debts, bills, outstanding monies and receivables,all the fixed assets of power unit, Immovable property of 1770 Sq. Yard situated at Jamla Road, Tatarpur Industrial area, Modinpur of Piping unit, all the fixed assets situated at Chennai, Fixed deposit of Rs 350 lacs and exclusive charge on fixed deposit of Rs 15 lacs in favour of Bank of India.
Further, there is Second pari passu charge on all the movable fixed assets, both present and future, of piping unit (excluding assets given against first pari passu charge) and Residential house of Promoter situated at 1255, sector 14, Faridabad.

b) Further, Cash credit and WCDL are secured by Irrevocable and unconditional, joint and several personal guarantee of the promoters and corporate guarantee of DEE Piping Components Private Limited

Detail of Quarterly statement/ returns of current assets filed by the Company with banks and reconciliation with the books of accounts

Quarter ending	Name of the Bank	Particulars of Securities provided	Amount as per books of accounts	Amount as reported in the quarterly return/statement	Amount of difference	Reason for material discrepancies
June-2021	Bank of India	Inventory	17,009.00	16,895.00	114.00	Variance is on account of timing difference in reporting to the banks and monthly book closure process of the Company.
September-2021			18,910.00	19,083.00	(173.00)	
December-2021			18,924.00	18,787.00	137.00	
March-2022			21,081.00	20,952.00	129.00	
June-2021		Trade Receivable	15,909.00	16,865.00	(956.00)	
September-2021			11,945.00	11,930.00	15.00	
December-2021			11,239.00	11,146.00	93.00	
March-2022			12,767.00	12,767.00	NIL	

(C) Other financial liabilities

Particulars	Non-current As at 31 March 2022	Non-current As at 31 March 2021	Current As at 31 March 2022	Current As at 31 March 2021
Financial liabilities classified at amortised cost:				
Creditors for capital goods	-	-	199.41	45.24
Interest accrued and not due on borrowings	-	-	22.20	38.71
Others payable	-	-	99.83	-
Total other financial liabilities	-	-	321.45	83.95

S.R. BATLIBOI & CO. LLP GURUGRAM

(Amount in INR Lacs)

12 Lease Liabilities

Particulars	Non-current As at 31 March 2022	Non-current As at 31 March 2021	Current As at 31 March 2022	Current As at 31 March 2021
Lease Liabilities (refer note 36)	214.42	199.77	59.73	53.71
Total lease liabilites	214.42	199.77	59.73	53.71

13 Provisions

Particulars	Non-current As at 31 March 2022	Non-current As at 31 March 2021	Current As at 31 March 2022	Current As at 31 March 2021
Provisions for gratuity	-	95.34	94.37	49.88
Provisions for compensated absences	-	-	92.39	76.54
Total provisions	-	95.34	186.76	126.42

a Provision for Litigation

It represent a charge against the wrong availment of input credit

	As at 31 March 2022	As at 31 March 2021
At the beginning of the year	-	15.55
Created during the year	-	-
Paid/adjusted during the year	-	15.55
At the end of the year	-	-

13A Liabilities for current tax (net)

Particulars	Current As at 31 March 2022	Current As at 31 March 2021
Provision for current tax (Net of advance tax and TDS receivable)	3.41	-
	3.41	-

14 Other liabilities

Particulars	Non-current As at 31 March 2022	Non-current As at 31 March 2021	Current As at 31 March 2022	Current As at 31 March 2021
Statutory dues	-	-	119.87	96.45
Deferred revenue:				
on advance licenses	95.92	93.15	-	-
Advance received from customers (refer note 17)	-	-	934.77	1,053.62
Total other liabilities	95.92	93.15	1,054.64	1,150.07

15 Income tax

(A) The major components of income tax expense for the years ended 31 March 2022 and 31 March 2021 are:

Statement of profit and loss:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
a) Income tax expense reported in the statement of profit or loss		
Current income tax:		
- Current income tax charge	536.95	671.08
- Adjustments in respect of current income tax of previous year	(29.84)	(12.85)
Deferred tax:		
- Relating to origination and reversal of temporary differences (including DTL reversal of on account of adoption of new tax rate (refer note 40)	(186.84)	(766.83)
Income tax expense reported in the statement of profit or loss	320.27	(108.60)
b) Other comprehensive Income section		
Re-measurement gain/(loss) on defined benefit plans	(3.63)	(7.87)
Income tax charged to other comprehensive income	(3.63)	(7.87)

S. R. BATLIBOI & CO. LLP GURUGRAM

(Amount in INR Lacs)

(B) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2022 and 31 March 2021:

Particulars	As at 31 March 2022	As at 31 March 2021
Accounting profit before tax	1,551.20	2,103.03
At India's statutory income tax rate of 25.168% (31 March 2021: 25.168%)	390.40	529.29
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Tax impact due to adoption of new tax rate as per Income-tax Act, 1961 (Refer note 40)	-	(758.47)
Tax relating to earlier years	(29.84)	(12.85)
Tax impact of expenses not deductible under Income-tax Act, 1961	20.62	48.63
Others	(60.91)	84.80
Income tax expense	**320.27**	**(108.60)**
Income tax expense reported in the statement of profit and loss	**320.27**	**(108.60)**

(C) **Deferred tax**

Deferred tax relates to following:

Particulars	As at 31 March 2022	As at 31 March 2021
Balance sheet		
Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	(1,973.61)	(2,168.76)
Impact on Employee benefit	47.00	56.83
Impact on deferred marked to market (gain)/ loss	(14.53)	(26.75)
Expenditure allowed for tax purposes on payment basis	0.90	15.24
Net deferred tax assets/ (liabilities)	**(1,940.24)**	**(2,123.44)**

Statement of profit and loss	Year ended 31 March 2022	Year ended 31 March 2021
Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	(195.14)	(130.78)
Impact due to adoption of new tax rate as per Income-tax Act, 1961 (Refer note 40)	-	(758.47)
Impact of deferred government grant	-	18.79
Impact on deferred marked to market	(12.23)	86.75
Impact on Employee benefit	9.82	9.26
Expenditure allowed for tax purposes on payment basis	14.34	7.62
Deferred tax expense/ (income)	**(183.21)**	**(766.83)**
Other Comprehensive Income		
Impact on defined benefit plans	(3.63)	(7.87)
Deferred tax expense / (income)	**(3.63)**	**(7.87)**

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

16 **Trade Payables**

Particulars	Current As at 31 March 2022	Current As at 31 March 2021
Trade payables *	7,946.14	6,317.94
Trade payables to Micro, Small and Medium Enterprises #	449.86	238.24
Total trade payables	**8,396.00**	**6,556.18**

Trade Payable Ageing Schedule

As at 31 March 2022	Outstanding for following periods from the booking date: Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
	INR lacs	INR lacs	INR lacs	INR lacs	INR lacs
Total outstanding dues of micro enterprises and small enterprises	449.86	-	-	-	449.86
Total outstanding dues of creditors other than micro enterprises and small enterprises	7911.34	34.80	-	-	7946.14
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
TOTAL	**8,361.20**	**34.80**	-	-	**8,396.00**

As at 31 March 2021	Outstanding for following periods from the booking date: Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
	INR lacs	INR lacs	INR lacs	INR lacs	INR lacs
Total outstanding dues of micro enterprises and small enterprises	238.24	-	-	-	238.24
Total outstanding dues of creditors other than micro enterprises and small enterprises	6314.78	3.16	-	-	6317.94
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
TOTAL	**6,553.02**	**3.16**	-	-	**6,556.18**

S. R. BATLIBOI & CO. LLP * GURUGRAM *

(Amount in INR Lacs)

Terms and conditions of the above financial liabilities:

- Trade payables are non-interest bearing and are normally settled on 0 to 75 days terms
- For terms and conditions relating to related party payables, refer to note 29
- For explanations on the Company's credit risk management processes, refer to note 34

*** Includes following :**

- Acceptances	1,059.44	453.66
- For payable to related parties, refer to note 29	45.73	41.46

 # Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Particulars	As at 31 March 2022	As at 31 March 2021
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	449.86	238.24
Principal amount due to micro and small enterprises	449.86	238.24
Interest due on above	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

'————————This page has been intentionally left blank————————

S. R. BATLIBOI & CO. LLP ★ GURUGRAM ★

(Amount in INR Lacs)

17 Revenue from operations

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Sale of products:		
Sale of finished goods	26,377.71	34,858.47
Sale of traded goods	166.06	27.50
Sale of electricity	4,032.30	3,325.15
Sale of service:		
Job work	3,821.44	1,891.74
Erection and Design services	1,972.28	225.18
Other Operating Income:		
Sale of Scrap	615.63	464.52
Export Incentive	47.26	352.22
Total revenue from operations	**37,032.68**	**41,144.78**
Timing of revenue recognition		
Revenue recognition at a point of time	37,032.68	41,144.78
Total revenue from contracts with customers	**37,032.68**	**41,144.78**

Contract Balances

Particulars	As at March 31, 2022	As at March 31, 2021
Trade receivables from contracts under Ind AS 115 (refer note 5(A))	12,766.90	18,066.01
Contract Assets	-	-
Contract liabilities		
Advance from customers	934.77	1,053.62
	13,701.67	**19,119.63**

Contract liabilities include amount received from customers as per the terms of sales order to deliver goods. Once the goods are completed and control is transferred to customers the same is adjusted accordingly.

Significant changes in the contract assets and the contract liabilities balances during the year are as follows

Particulars	As at March 31, 2022	As at March 31, 2021
Movement of contract liability		
Amounts included in contract liabilities at the beginning of the year	1,053.62	4,099.50
Performance obligations satisfied during the year	(1,053.62)	(2,741.80)
Amount received/ adjusted against contract liability during the year	934.87	(304.08)
		-
Amounts included in contract liabilities at the end of the year	**934.87**	**1,053.62**

Performance obligation

Information about the Company's performance obligations for material contracts are summarised below:

The performance obligation of the Company in case of sale of Products is satisfied once the goods are transported as per terms of order and control is transferred to the customers.

The customer makes the payment for contracted price as per terms stipulated under customers purchase order.

Information about the Company's performance obligations for electricity supply contract are summarised below:
The performance obligation of the Company in case of sale of electricity is based on supply of electricity through installed meters. Revenue from sales of electricity is accounted for on the basis of billing to customer based on billing cycles followed by the Company.

The customer makes the payment for electricity supplied during the billing cycle at contracted price as per terms stipulated under agreement.

There is no remaining performance obligation as on year ended March 31, 2022

S.R. BATLIBOI & CO. LLP
GURUGRAM

(Amount in INR Lacs)

18 Other income

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Interest income		
- from Bank	132.59	191.71
- on Income tax refund	-	23.16
from loan to related party (refer note 29)	444.23	490.55
Gain on foreign exchange (net)	613.93	263.47
Rent income	12.00	12.00
Amortization of deferred revenue:		
on export promotion capital goods scheme	-	53.58
on advance received from MNRE	-	5.70
on advance licenses	490.12	583.54
Miscellaneous income	75.28	4.19
Total other income	**1,768.15**	**1,627.90**

19 Cost of raw material consumed

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Inventory at the beginning of the year	11,191.44	13,727.04
Add: Purchase during the year	19,780.14	15,591.28
	30,971.58	29,318.32
Less: Inventory at the end of the year	13,068.89	11,191.44
Cost of raw material consumed	**17,902.69**	**18,126.88**

20 Changes in inventories of finished goods, stock in trade and work in progress

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Opening stock		
- Work-in-progress	3,464.55	4,883.81
- Finished goods	683.39	2,758.34
- Stock in trade	24.85	10.90
Less: Closing stock		
- Work-in-progress	4,250.04	3,464.55
- Finished goods	1,746.01	683.39
- Stock in trade	30.14	24.86
Total change in inventories of finished goods, stock in trade and work in progress	**(1,853.40)**	**3,480.25**

21 Employee benefits expense

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Salaries, wages and bonus	5,379.26	4,672.91
Contribution to provident and other funds	169.20	151.34
Gratuity expense (refer note 28)	75.16	68.68
Staff welfare expenses	131.72	98.05
Total employee benefits expense	**5,755.34**	**4,990.98**

S. R. BATLIBOI & CO. LLP * GURUGRAM *

(Amount in INR Lacs)

22 Depreciation and amortization expense

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Depreciation on tangible assets (refer note 3 Property, plant and equipment)	2,100.01	2,087.03
Amortisation of intangible assets (refer note 3 (a) Intangible assets)	60.70	75.64
Depreciation on right of use assets (refer note 36)	54.50	49.88
Total	2,215.21	2,212.55

23 Other expenses

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Consumption of stores and spare parts	1,822.55	1,643.99
Packing material consumed	1,413.44	1,156.87
Fabrication and job charges	2,915.84	2,264.24
Repair and maintenance:		
- Buildings	65.66	29.57
- Plant and machinery	354.38	305.34
- Other	64.02	51.41
Office and factory maintenance	68.88	69.12
Lease rentals including machine hire charges	224.35	50.54
Rates and taxes	82.65	67.94
Insurance	107.32	103.06
Power, fuel and water charges	943.66	702.02
Radiography and inspection	400.64	365.40
Auditor's remuneration (refer note 23 (a) below)	27.41	30.46
Selling commission and other selling expenses	219.50	225.64
Freight and forwarding (net of recovery)	592.87	984.18
Claims and deductions	65.70	344.62
Legal and professional	642.67	418.94
Travelling & Conveyance	254.44	182.21
Bank charges	267.39	254.05
Sundry balances written off	-	2.17
Loss on sale/ discard of fixed assets (net)	6.02	7.98
Donation	3.66	6.00
Security and servicing charges	186.31	171.56
CSR expenses (refer note 23 (b) below)	71.83	76.21
Directors 'sitting fees	7.50	6.00
Miscellaneous	407.86	365.11
Total	11,216.55	9,884.63

23 (a)

Payment to auditors :	Year ended 31 March 2022	Year ended 31 March 2021
As auditor:		
- Statutory audit fee	25.00	20.00
In other capacity:		
- Other services (certification fees)	1.00	10.00
- Reimbursement of expenses	1.41	0.46
Total	27.41	30.46

S. R. BATLIBOI & CO. LLP
GURUGRAM

(Amount in INR Lacs)

23 (b) Details of CSR expenditure:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
(a) Gross amount required to be spent by the Company during the year	71.63	76.21
(b) Amount spent during the year		
(i) Construction/ acquisition of any asset	-	-
(ii) On purpose other than (i) above	71.83	76.21
(c) Bifurcation of above amount		
(i) Amount spent in cash#	71.83	33.71
(ii) Amount yet to be paid in cash*	-	42.50

#The amount includes Rs 64.03 lacs (PY: Rs 5.50 lacs) given to Atul Kishan Bansal foundation (AKB Foundation) in relation to CSR expenditure. Out of total contribution of Rs 106.53 lacs to AKB Foundation Rs 65.28 lacs remains unspent as on March 31, 2022 and will be utilised for carrying out CSR activities in subsequent years .

*In Previous year, unspent amount has been subsequently deposited with Atul krishan Bansal Foundation, a wholly owned subsidiary, to carry out CSR activities.

24 Finance costs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Interest Expense		
- on term loans	100.63	96.30
- on others	1,583.56	1,608.76
Interest on lease liability (refer note 36)	24.32	19.11
Other borrowing cost	149.28	165.27
Exchange difference regarded as an adjustment to borrowing cost	41.93	46.09
Total	1,899.72	1,935.53

25 Components of Other Comprehensive Income (OCI)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Retained Earnings		
Re-measurement gain/ (losses) on defined benefit plans	14.42	30.72
Less: Tax impact of above items	(3.63)	(7.87)
	10.79	22.85

26 Earnings per share (EPS)

Basic EPS amounts is calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts is calculated by dividing the profit attributable to equity shareholders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Profit attributable to equity holders of the Company for basic and diluted earnings (A)	1,241.72	2,234.47
Weighted average number of Equity shares for basic and diluted EPS* (B)	1,12,48,664	1,56,92,719
Earnings per share (A/B)		
- Basic earnings per share	11.04	14.09
- Diluted earnings per share	11.04	14.09

* There have been no transaction involving Equity shares or potential Equity shares during the year .

S.R. BATLIBOI & CO. LLP * GURUGRAM *

27 **Significant accounting judgements, estimates and assumptions**

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Classification of leases –

The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

Determining the lease term of contracts with renewal and termination options (Company as lessee)-

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g. construction of significant leasehold improvements or significant customisation to the leased asset).

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Valuation of Investment in subsidiaries and jointly controlled entity

Investments in subsidiaries and Jointly controlled entity are carried at cost. At each balance sheet date, the management assesses the indicators of impairment of such investments. This requires assessment of several external and internal factor including capitalisation rate, key assumption used in discounted cash flow models (such as revenue growth, unit price and discount rates) or sales comparison method which may affect the carrying value of investments in subsidiaries and Jointly controlled entity.

- Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

- Taxes

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

- Defined benefit plans (gratuity)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds with term that correspond with the expected term of the defined benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Further details about gratuity and long term compensated absences obligations are given in Note 28

- Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer note 32 for further disclosures.

- Useful Lives of Property Plant and Equipment

The Company, based on technical assessment made by technical expert and management estimate, depreciates plant and machineries of piping division over estimated useful lives of 10 to 25 years which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

S. R. BATLIBOI & CO. LLP
GURUGRAM

(Amount in INR Lacs)

28 Gratuity and other post-employment benefit plans

A. Defined benefit plans - general description

The Company has a defined gratuity benefit plan. Every employee who completes service of five years or more, gets a gratuity, of 15 days salary (last drawn salary) for each completed year of service.
The following tables summaries the components of net benefit expense recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the balance sheet for the plan (based on actuarial valuation) :

Amount recognised in statement of profit and loss

Net employee benefit expense recognized in the employee cost:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Service cost	65.29	60.97
Net interest cost	9.87	7.71
Expenses recognised in the statement of profit and loss	75.16	68.68

Amount recognised in other comprehensive income

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Net actuarial (gain)/ loss recognised in the year	(14.42)	(30.72)
Expenses/(income) recognised in the other comprehensive income	(14.42)	(30.72)

Balance sheet

Benefit asset/ liability

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Present value of defined obligation at the end of the year	620.25	556.80
Less : Fair value of the plan assets at the end of the year	525.88	411.58
Net present value of defined benefit obligation	94.37	145.22

Changes in the present value of the defined benefit obligation are as follows:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Opening defined benefit obligation	556.80	506.83
Service cost	65.29	60.97
Interest cost	37.86	34.46
Benefits paid	(25.53)	(14.05)
Actuarial (gain)/ loss on obligation	(14.17)	(31.41)
Closing defined benefit obligation	620.25	556.80

Changes in the fair value of plan assets are as follows:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Opening fair value of plan assets	411.58	393.51
Expected return on plan assets	30.06	28.16
Mortality charges	(1.83)	(2.09)
Contribution by the employer	111.60	6.06
Benefits paid	(25.53)	(14.06)
Closing fair value of plan assets	525.88	411.58

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
The scheme is funded through a trust and funds are managed by Life Insurance Corporation of India	100%	100%

S. R. BATLIBOI & CO. LLP
GURUGRAM

(Amount in INR Lacs)

B. The principal actuarial assumptions used in determining gratuity are as follows:

(a) Economic assumptions

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Discount rate	7.18%	6.80%
Average salary escalation rate	6.00%	6.00%
Attrition at Ages	Withdrawal rate %	Withdrawal rate %
Up to 30 Years	3.00	3.00
From 31 to 44 years	2.00	2.00
Above 44 years	1.00	1.00

The estimates 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. The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

C. Demographic assumptions

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Retirement age	58 years	58 years
Mortality table	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)

D. A quantitative sensitivity analysis for significant assumption as at 31 March is as shown below:

Assumptions	Sensitivity Level	Impact on defined benefit obligation
Discount rate:		
31 March 2022	Increase of 0.50%	(34.13)
	Decrease of 0.50%	37.36
31 March 2021	Increase of 0.50%	(32.43)
	Decrease of 0.50%	35.64
Future salary increases:		
31 March 2022	Increase of 0.50%	37.61
	Decrease of 0.50%	(34.65)
31 March 2021	Increase of 0.50%	35.74
	Decrease of 0.50%	(32.81)

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these not disclosed.

E. The following payments are expected contributions to the defined benefit plan in future years:

Particulars	31 March 2022	31 March 2021
Within the next 12 months (next annual reporting period)	54.49	49.88
Between 2 and 5 years	95.20	82.87
Beyond 5 years	470.55	424.05
Total expected payments	620.24	556.80

The average duration of the defined benefit plan obligation at the end of the reporting period is 17.63 (31 March 2021: 17.83 years)

S. R. BATLIBOI & CO. LLP * GURUGRAM *

(Amount in INR Lacs)

29 Related party transactions

(A) Names of related parties and related party relationship

Nature of relationship	Name of related parties
(i) Subsidiary Companies:	Malwa Power Pvt. Ltd. Dee Piping Systems (Thailand) Co. Ltd. Dee Fabricom India Pvt. Ltd. Atul Krishan Bansal Foundation
(ii) Jointly controlled entity	Dee Fabricom LLC
(iii) Key management personnel:	Mr. K.L. Bansal (Chairman and Managing Director) Mrs. Ashima Bansal (Director) Mrs. Shikha Bansal (Whole-time Director) Mr. Gaurav Narang (Chief Financial Officer) Mr. Ranjan Sarangi (Company secretary)
(iv) Relative of key management personnel	Mrs. Shruti Aggarwal (daughter of Mr. K. L. Bansal)
(v) Independent Director	Mr. Ajay Kumar Marchanda Mr. Satish Kumar

(B) The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

Name of related party	Year ended 31 March 2022	Year ended 31 March 2021
(i) with subsidiary company		
(a) Malwa Power Pvt. Ltd.		
Sales of product	3.29	41.92
Sales of property, plant & equipment	1.65	-
Interest Income	14.10	49.58
Loan Given	78.98	847.10
Repayment of Loan	200.00	1,301.86
Corporate Guarantee given to a Bank for loan taken	850.00	900.00
(b) Dee Piping Systems (Thailand) Co. Ltd.		
Investment in Equity Shares	1,108.10	-
Sales of product	2.09	12.49
Sales of property, plant & equipment	5.92	-
Interest Income	313.83	339.00
Purchase of goods	797.20	195.93
Job charges	-	46.21
Loan Given	-	982.44
(c) Dee Fabricom India Pvt. Ltd.		
Sales of product	36.95	-
Sales of property, plant & equipment	0.75	-
Purchase of property, plant & equipment	216.57	-
Purchase of goods	9.81	22.77
Job charges	225.00	225.00
Rent Paid	4.50	-
Interest Income	116.30	101.97
Loan Given	-	841.50
Repayment of Loan	-	375.00
Corporate Guarantee accepted during the year	2,704.10	-
(d) Atul Krishan Bansal Foundation		
Investment in Equity Shares	-	1.00
Amount given in respect to CSR Expenditure (Includes Rs 42.50 Lacs in respect to unspent amount of PY)	106.53	5.50

S. R. BATLIBOI & CO. LLP ★ GURUGRAM ★

(Amount in INR Lacs)

(ii) With Key management personnel and their relatives:

Name	Nature of transaction	year ended 31 March 2022	Year ended 31 March 2021
Mr. K. L. Bansal	Rent Payment	0.60	0.60
Mr. K. L. Bansal	Remuneration	256.20	232.87
Mrs. Ashima Bansal	Remuneration	81.00	81.00
Mrs. Shikha Bansal	Remuneration	98.13	12.00
Mrs. Shruti Aggarwal	Remuneration	42.00	18.63
Mr. Gaurav Narang	Remuneration	40.00	38.59
Mr. Ranjan Sarangi	Remuneration	13.99	13.36
Mr. Ajay Kumar Marchanda	Sitting fees	3.75	3.25
Mr. Satish Kumar	Sitting fees	3.75	2.75

(C) Following are the balances outstanding as at year end:

Name of related party	As at 31 March 2022	As at 31 March 2021
(i) With wholly owned subsidiary companies		
(a) Malwa Power Pvt. Ltd.		
Loans Given	119.25	240.27
Interest Receivable	-	45.87
Corporate Guarantee given to Indian Banker	732.06	849.08
(b) Dee Piping Systems (Thailand) Co. Ltd.		
Loans Given	5,977.81	5,796.25
Interest Receivable (net of withholding tax)	785.81	448.51
Corporate Guarantee given to Foreign Banker	2,274.94	3,256.68
Trade receivable	-	58.19
Advance given	402.46	224.44
(c) Dee Fabricom India Pvt. Ltd.		
Loans Given	1,162.96	1,162.96
Interest Receivable	104.67	-
Corporate Guarantee given to Indian Banker	2,161.49	2,464.59
Advance given	26.10	45.00
(ii) With Key management personnel and their relatives:		
Account payable:		
Mr. K.L. Bansal	25.94	26.62
Mrs. Ashima Bansal	4.39	5.63
Mrs. Shikha Bansal	7.85	2.64
Mrs. Shruti Aggarwal	4.09	1.39
Mr. Gaurav Narang	2.71	4.13
Mr. Ranjan Sarangi	0.75	1.05

Apart from above, Mr. K.L. Bansal and Mrs. Ashima Bansal have given personal guarantees as a collateral for securing borrowings from the banks.

In the opinion of the Board of directors, the current assets, investments, loan and advances have the value at which they are stated in the balance sheet, if realised in the ordinary course of business and provisions for all known liabilities have been adequately made in the accounts.

(D) Compensation of key management personnel of the Company

Name of related party	Year ended 31 March 2022	Year ended 31 March 2021
Short-term employee benefits	489.31	377.81
Post-employment gratuity and medical benefits	6.88	0.57
Total compensation paid to key management personnel	496.19	378.38

The amounts disclosed in the table are the amounts recognised as an expense during the reporting period related to key management personnel.

(E) Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free other than unsecured loan .

For the year ended 31 March 2022, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2021: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

S. R. BATLIBOI & CO. LLP
GURUGRAM

(Amount in INR Lacs)

(F) Disclosure required under Sec 186(4) of the Companies Act 2013

Included in loan and advance are certain inter/corporate deposits the particulars of which are disclosed below the required by Sec 186 (4) of Companies Act 2013:

Name of the loanee/Investment	Rate of Interest	Due Date	March 31,2022	March 31,2021
Malwa Power Pvt. Ltd.				
- Unsecured loan	**10% p.a.** (March 31, 2021: 10% p.a.)	**Payable on demand,** (March 31, 2021: payable on demand)	119.25	240.27
- Interest Receivable	Not Applicable	Not Applicable	-	45.87
- investment in wholly owned subsidiary	Not Applicable	Not Applicable	897.80	897.80
Dee Fabricom India Pvt. Ltd.				
- investment in wholly owned subsidiary	Not Applicable	Not Applicable	900.00	900.00
- Interest Receivable	Not Applicable	December 31, 2024 (March 31, 2021: not applicable)	104.67	-
- Unsecured loan	**10% p.a.** (March 31, 2021: 10% p.a.)	Payable on demand (March 31, 2021: Payable on demand)	1,162.96	1,162.96
Dee Piping Systems (Thailand) Co. Ltd				
- investment in wholly owned subsidiary	Not Applicable	Not Applicable	5,021.32	3,913.22
- Interest Receivable	Not Applicable	December 31,2024 (March 31, 2021: December 31, 2022)	785.81	448.51
- Unsecured loan	**5.25% p.a.** (March 31, 2021: 5.25% p.a.)	Payable on demand (March 31, 2021: Payable on demand)	5,977.81	5,796.25
Atul Krishan Bansal Foundation				
- investment in wholly owned subsidiary	Not Applicable	Not Applicable	1.00	1.00
Dee Fabricom LLC				
- Investment in jointly controlled entity	Not Applicable	Not Applicable	85.48	85.48

'-----------------------This page has been intentionally left blank-----------------------

S. R. BATLIBOI & CO. LLP ★ GURUGRAM ★

(Amount in INR Lacs)

30 Commitments and Contingencies

A. Commitments

Capital Commitments

Particulars	As at 31 March 2022	As at 31 March 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances paid INR 428.68 lacs) (31 March 2021: INR 191.76 lacs)	490.96	73.10

B. Contingent liabilities

Contingent Liabilities not provided for in respect of:

Particulars	As at 31 March 2022	As at 31 March 2021
a) Claims against the company not acknowledged as debt		
- Demand by Income Tax Department *	187.61	165.76
- Demand by Excise Authorities **	39.35	39.35
- Claim filed by a supplier **	-	12.31
b) Custom duty liability which may arise if obligations for exports are not fulfilled***	999.63	-

*The Income Tax Authorities have raised demands on account of various disallowances pertaining to different assessment years. The Company is contesting these demands, which are pending at various appellate levels. Based on the advice from independent tax experts and the development on the appeals, the management is confident that additional tax so demanded with reference to these cases will not be sustained on completion of the appellate proceedings and accordingly, pending the decision by the appellate authorities, no provision has been made in these standalone financial statements.

**On the basis of current status of individual case for respective years, the Company is confident of winning the above cases and is of the view that no provision is required in respect of the above cases.

***The Company is of the view that it will be able to fulfil its underlying obligations. Accordingly, no adjustment is required in the financial statements.

C. Guarantees

The Company has given corporate guarantee for loans taken by subsidiary companies, to the extent loan amount outstanding as on balance sheet date. The carrying amounts of the related financial guarantee contracts were INR 5,168.49 Lacs at 31 March 2022 and INR 6,570.35 Lacs 31 March 2021 respectively.

-------------------This page has been intentionally left blank-------------------

S. R. BATLIBOI & CO. LLP
GURUGRAM

31 Segment information

(Amount in INR Lacs)

On the basis of nature of businesses, the company has two reportable segments, as follows:
- The piping segment which is mainly engaged in manufacturing of pre-fabricated engineering products, pipe fittings, piping systems.
- The power segment, which is engaged in biomass based power generation

No operating segments have been aggregated to form the above reportable operating segments.

The Executive Management Committee monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the standalone financial statements.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

A. Segment Disclosures

Year ended 31 March 2022

Particulars	**Piping division**	**Power division**	**Unallocated**	**Total**
Revenue				
External customers	32,971.21	4,061.47	-	37,032.68
Segment Revenue	32,971.21	4,061.47	-	37,032.68
Segment profit	5,064.23	1,219.43	(617.53)	5,666.13
Other Expenses				
Finance Costs	1,834.75	64.97	-	1,899.72
Depreciation and amortization expense	2,069.70	145.51	-	2,215.21
Total	3,904.45	210.48	-	4,114.93
Net Segment profit before tax	1,159.78	1,008.95	(617.53)	1,551.20
Other Information				
Segment Assets	67,659.35	4,518.40	6,851.61	79,029.36
Segment Liabilities	29,189.70	2,197.97	2,009.16	33,396.83
Capital Expenditure	2,016.89	10.60	-	2,027.49

Year ended 31 March 2021

Particulars	**Piping division**	**Power division**	**Unallocated**	**Total**
Revenue				
External	37,804.18	3,340.60	-	41,144.78
Segment Revenue	37,804.18	3,340.60	-	41,144.78
Segment profit	6,005.97	622.01	(376.87)	6,251.11
Expenses				
Finance costs	1,870.09	65.44	-	1,935.53
Depreciation and amortization expense	2,052.94	159.61	-	2,212.55
Total	3,923.03	225.05	-	4,148.08
Net Segment profit before tax	2,082.94	396.97	(376.87)	2,103.03
Other information				
Segment Assets	66,515.24	4,552.04	5,713.65	76,780.93
Segment Liabilities	22,204.53	2,957.03	2,194.52	27,356.08
Capital Expenditure	821.66	148.44	-	970.10

---------------------This page has been intentionally left blank---------------------

S. R. BATLIBOI & CO. LLP * GURUGRAM *

DEE Development Engineers Limited
Notes to the standalone financial statements for the year ended March 2022

B. Reconciliations to amounts reflected in the financial statements

(Amount in INR Lacs)

a. Reconciliation of profit

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Segment Profit	2,168.73	2,479.91
Unallocated expenses	(617.53)	(376.88)
Profit before tax	1,551.20	2,103.03

b. Reconciliation of assets

Particulars	As at 31 March 2022	As at 31 March 2021
Segment operating assets	72,177.75	71,067.28
Unallocated Assets	6,851.61	5,713.65
Total assets	79,029.36	76,780.93

c. Reconciliation of liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Segment operating liabilities	31,387.67	25,161.56
Unallocated Liabilities	2,009.16	2,194.52
Total liabilities	33,396.83	27,356.08

Following are the entity-wide disclosures:

a) Revenue from external customers

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
India	22,517.29	19,844.49
Outside India	14,515.39	21,300.29
Total revenue as per standalone statement of profit and loss	37,032.68	41,144.78

The revenue information above is based on the locations of the customers.

b) List of major customer whose revenue more than 10% of total entity revenue

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Larsen & Turbo Limited	4,600.10	2,359.70
% of Revenue	12.42%	5.74%
Bharat Petroleum Corporation Limited	4,363.44	-
% of Revenue	11.78%	-
General Electric	4,779.04	9,405.75
% of Revenue	12.90%	22.86%
Punjab State Electricity Board	4,032.30	3,325.15
% of Revenue	10.89%	8.08%

c) **Trade Receivable**

Particulars	As at March 31, 2022	As at March 31, 2021
India	8,451.29	6,372.36
Outside India	4,315.61	11,693.65
Total	12,766.90	18,066.01

32 Fair values

(Amount in INR Lacs)

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Particulars	Carrying value		Fair value	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
(A) Financial assets				
Non-current				
Security deposits	79.27	74.64	79.27	74.64
Inter corporate loan to a related party	7,140.77	6,959.21	7,140.77	6,959.21
Term deposit accounts with maturity beyond 12 months	762.93	392.22	762.93	392.22
Current				
Trade receivables*	12,766.90	18,066.01	12,766.90	18,066.01
Cash and cash equivalents*	17.75	373.12	17.75	373.12
Security deposits*	10.48	6.80	10.48	6.80
Inter corporate loan to a related party*	119.25	240.27	119.25	240.27
Deposits with original maturity less than 12 months*	2,484.32	2,740.90	2,484.32	2,740.90
Interest receivable*	0.98	55.30	0.98	55.30
Foreign exchange forward contracts*	57.72	104.40	57.72	104.40
Total financial assets	23,440.37	29,012.87	23,440.37	29,012.87
(B) Financial liabilities				
Non-current				
Long-term borrowings	1,648.55	809.37	1,648.55	809.37
Lease liability	214.42	199.77	214.42	199.77
Current				
Short-term borrowings*	19,475.71	16,064.68	19,475.71	16,064.68
Trade payables*	8,396.00	6,556.18	8,396.00	6,556.18
Lease liability	59.73	53.71	59.73	53.71
Other financial liabilities*	321.45	83.95	321.45	83.95
Total financial liabilities	30,115.86	23,767.66	30,115.86	23,767.66

Note:-

* The management assessed that fair value of trade receivables, cash and cash equivalents, security deposits, inter corporate loan to related party, other short-term financial assets, short-term borrowings, trade payables and other short-term financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

a. Term deposits- The fair value of term deposits is equal to carrying value since they are carrying market interest rates as per the banks.

b. Foreign exchange forward contracts- Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing.

c. Long-term borrowings - The fair value of long-term borrowings is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. The carrying value and fair value of the borrowings has been considered the same since the existing interest rate approximates its fair value.

d. Others- For other financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

------------------This page has been intentionally left blank------------------

S. R. BATLIBOI & CO. LLP GURUGRAM

(Amount in INR Lacs)

33 Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are:
(a) recognised and measured at fair value and
(b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

A. Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31 March 2022:

Particulars	Total	Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets measured at amortised cost				
Security deposits	79.27	-	-	79.27
Inter corporate loan to a related party	7,140.77	-	-	7,140.77
Term deposit accounts with maturity beyond 12 months	762.93	-	762.93	-
Financial liabilities measured at amortised cost				
Long-term borrowings	1,648.55	-	1,648.55	-

There have been no transfers between Level 1 and Level 2 during the year.

B. Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31 March 2021:

Particulars	Total	Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets measured at amortised cost				
Security deposits	74.64	-	-	74.64
Inter corporate loan to a related party	6,959.21	-	-	6,959.21
Term deposit accounts with maturity beyond 12 months	392.22	-	392.22	-
Financial liabilities measured at amortised cost				
Long-term borrowings	809.37	-	809.37	-

There have been no transfers between Level 1 and Level 2 during the year.

------------------This page has been intentionally left blank------------------

S.R. BATLIBOI & CO. LLP * GURUGRAM *

(Amount in INR Lacs)

34 Financial risk management objectives and policies

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include security deposits given, loan to related party, employee advances, trade and other receivables, cash and cash equivalents and other assets.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises interest rate risk and currency risk. Financial instruments affected by market risk include borrowings and foreign exchange forward contracts.

The sensitivity analysis in the following sections relate to the position as at 31 March 2022 and 31 March 2021.

The sensitivity analysis has been prepared on the basis that the amount of net debt, the ratio of floating to fixed interest rates of the debt and the proportion of financial instruments in foreign currencies are all constant in place at 31 March 2022.

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

The following assumptions have been made in calculating the sensitivity analysis:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2022 and 31 March 2021.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's obligations with floating interest rates.

The Company is exposed to interest rate risk because Company borrows funds at floating interest rates. These exposures are reviewed by appropriate levels of management. The Company regularly monitors the market rate of interest to mitigate the risk exposure. The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase/ (decrease) in interest rate(%)	Effect on profit before tax
31-Mar-22		
INR loans	+0.50%	(78.32)
	-0.50%	78.32
31-Mar-21		
INR loans	+0.50%	(85.20)
	-0.50%	85.20

The assumed movement in interest rates for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

The Company manages its foreign currency risk by purchasing foreign currency forward contracts for purchase transactions that are expected to occur within a maximum 12-month forecasted period. The following tables demonstrate the unhedged foreign currency exposure and sensitivity to a reasonably possible change in foreign exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities are as follows:

Particulars	Currency	31 March 2022		Impact on profit before tax	
		Foreign Currency	Indian Rupees	5% Increase	5% Decrease
Trade payables	USD	0.60	45.21	(2.26)	2.26
	EGP	0.72	3.00	(0.15)	0.15
	CHF	0.11	9.25	(0.46)	0.46
Loan to Subsidiary	USD	78.86	5,977.81	298.89	(298.89)
Buyers Credit from banks	USD	20.41	1,547.29	(77.36)	77.36
Trade receivables	EURO	0.27	22.43	1.12	(1.12)
Interest Receivable	USD	10.37	785.81	39.29	(39.29)
Cash on hand	USD	0.010	0.76	0.04	(0.04)

S.R. BATLIBOI & CO. LLP
GURUGRAM

(Amount in INR Lacs)

Particulars	Currency	31 March 2021 Foreign Currency	31 March 2021 Indian Rupees	Impact on profit before tax 5% Increase	Impact on profit before tax 5% Decrease
External Commercial Borrowings from foreign banks	USD				
Trade payables	USD	2.30	168.97	(8.45)	8.45
	EURO	0.42	36.34	(1.82)	1.82
	EGP	0.72	3.38	(0.17)	0.17
Loan to Subsidiary	USD	78.86	5,796.25	289.81	(289.81)
Buyers Credit from banks	EURO	5.13	376.87	(18.84)	18.84
	USD	4.16	357.85	(17.89)	17.89
Trade receivables	USD	43.05	3,164.56	158.23	(158.23)
Advance to Vendors	EURO	0.10	8.63	0.43	(0.43)
Interest Receivable	USD	6.23	457.64	22.88	(22.88)
Balance with banks	EGP	0.41	1.94	0.10	(0.10)
Cash on hand	USD	0.004	0.41	0.020	(0.020)

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities including trade receivables, deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade receivables

Trade receivables do not have any significant potential credit risk for the Company as the business of the Company is majorly cash based. An impairment analysis is performed by the management at each reporting date on an individual basis for major clients.

Financial instruments and cash deposits

Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the key management personnel on an annual basis and may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2022 and 31 March 2021 is the carrying amounts as illustrated in Note 5.

Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of cash credits and bank loans. Approximately 33% of the Company's long-term borrowings will mature in less than one year at 31 March 2022 (31 March 2021: 56%) based on the carrying value of borrowings reflected in the financial statements. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

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

	<12 months INR lacs	1 to 5 years INR lacs	> 5 years INR lacs	Total INR lacs
As at 31 March 2022				
Long-term borrowings	-	1,648.55	-	1,648.55
Short-term borrowings (includes current maturity of long term borrowings)	19,475.71	-		19,475.71
Trade payables	8,396.00	-	-	8,396.00
Lease liability	59.73	167.05	47.37	274.15
Other financial liabilities	321.45	-	-	321.45
	28,252.89	1,815.60	47.37	30,115.86
As at 31 March 2021				
Long-term borrowings	-	809.37	-	809.37
Short-term borrowings (includes current maturity of long term borrowings)	16,064.68	-	-	16,064.68
Trade payables	6,556.18	-	-	6,556.18
Lease liability	53.71	138.36	61.41	253.48
Other financial liabilities	83.95	-	-	83.95
	22,758.52	947.73	61.41	23,767.66

S. R. BATLIBOI & CO. LLP
GURUGRAM

(Amount in INR Lacs)

35 Capital management

For the purpose of the Company's capital management, capital includes issued equity share capital and all other equity reserves attributable to the shareholders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings less cash and cash equivalents.

The Company's gearing ratio is as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Borrowings including current maturities (refer note 10)	21,124.27	16,874.05
Less: cash and cash equivalents (refer note 5(C))	(17.75)	(373.12)
Net debt (A)	21,106.52	16,500.93
Equity (refer note 8 and 9)	45,632.53	49,424.85
Total capital (B)	45,632.53	49,424.85
Total capital and net debt (C) = (A) + (B)	66,739.05	65,925.78
Gearing ratio (A)/(C) (%)	31.63%	25.03%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowings in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2022 and 31 March 2021.

---------------This page has been intentionally left blank--------------------

S. R. BATLIBOI & CO. LLP ★ GURUGRAM ★

(Amount in INR Lacs)

36 Company as a lessee

i) The Company's leased assets primarily consists of lease for factory lands, computers and data processing equipment having lease term of 5-10 years.

The Company recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate as on the date of transition and has measured right of use asset at an amount equal to lease liability adjusted for previously recognised prepaid or accrued lease payments. Further, lease arrangements where the Company is lessor, lease rentals are recognized on straight line basis over the non-cancellable period.

The Company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and subleasing the leased assets .
The Company also has certain leases of machinery with lease terms of 12 months or less and leases of office equipment with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

ii) Set-out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

	Factory Land	Computer and data processing equipment	Plant & Machinery	Total
Right-of-use assets as at 1 April 2020	95.75	-	-	95.75
Additions	129.92	79.04	-	208.96
Deletion	25.11	-	-	25.11
Depreciation expense (refer note 22)	35.06	14.82	-	49.88
As at 31 March 2021	**165.50**	**64.22**	-	**229.72**
Additions	38.95	-	25.35	64.30
Deletion	-	-	-	-
Depreciation expense (refer note 22)	34.45	19.76	0.29	54.50
As at 31 March 2022	**170.00**	**44.46**	**25.06**	**239.52**

iii) Set-out below are the carrying amounts of lease liabilities (included under other financial liabilities) and the movements during the period:

	Factory Land	Computer and data processing equipment	Plant & Machinery	Total
Lease liability as at 1 April 2020	104.18	-		104.18
Additions	129.92	79.05	-	208.97
Accretion of interest (refer note 24)	13.64	5.47	-	19.11
Payments	32.47	17.89	-	50.36
Disposal	28.42		-	28.42
As at March 31, 2021	**186.85**	**66.63**	**0.00**	**253.48**
Current	32.48	21.23	-	53.71
Non- current	**154.37**	**45.40**	**0.00**	**199.77**
Additions	37.46	-	25.35	62.81
Accretion of interest (refer note 24)	18.40	5.71	0.21	24.32
Payments	42.23	23.86	0.37	66.46
Disposal	-	-	-	-
As at March 31, 2022	**200.48**	**48.48**	**25.19**	**274.15**
Current	34.51	19.12	6.10	59.73
Non- current	165.97	29.36	19.09	214.42

iv) The maturity analysis of contractual undiscounted cash flow-: -

As at March 31, 2022

	Less than 1 year	1 to 5 years	More than 5 year
Factory Land	41.71	156.83	79.02
Computer and data processing equipment	23.86	47.72	-
Plant & Machinery	6.43	25.33	-
	72.00	229.88	79.02

As at March 31, 2021

	Less than 1 year	1 to 5 years	More than 5 year
Factory Land	38.86	140.83	104.00
Computer and data processing equipment	23.86	53.68	-
	62.72	194.51	104.00

v) The following are the amounts recognised in the Statement of Profit and Loss:

	March 31, 2022	March 31, 2021
Depreciation expense of right-of-use assets	54.50	49.88
Interest expense on lease liabilities	24.32	19.11
Expense relating to short-term leases (included in other expenses)	81.33	42.11
Total amount recognised in Statement of Profit and Loss	160.15	111.10

S. R. BATLIBOI & CO. LLP
* GURUGRAM *

(Amount in INR Lacs)

vi) Impact on statement of cash flows (increase/(decrease)):

	March 31, 2022	March 31, 2021
Operating lease payments*	66.46	50.36
Net cash flows used in operating activities	**66.46**	**50.36**
Payment of principal portion of lease liabilities	42.14	31.25
Payment of interest portion of lease liabilities	24.32	19.11
Net cash flows used in financing activities	**66.46**	**50.36**

* Composed of different line items in the indirect reconciliation of operating cash flows.

The Company had total cash outflows for leases of Rs. 42.03 Lacs for the year ended March 31, 2022 (Rs. 31.25 Lacs for March 31, 2021).

37 Consequent to the uncertainties/ disruptions caused due to continuation of pandemic, the Company has made assessment of impact of this pandemic on its business operations and has made assessment of its liquidity position for the next one year and believes that there is no significant impact of Covid-19 on the Company's business operations. The Company has assessed the recoverability and carrying value of its assets comprising property, plant and equipment, intangible assets, right of use assets, investments, inventory, advances, trade receivables, other financial and non-financial assets etc. as at balance sheet date using various internal and external information up to the date of approval of these financial statements. Based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. Changing situation of pandemic is giving rise to inherent uncertainty around the extent and timing of the potential future impact of the COVID-19 pandemic which may be different from that estimated as at the date of approval of these standalone financial statements and the Company will continue to closely observe the evolving scenario and take into account any future developments arising out of the same.

38 Buy Back of Equity Shares

During the year, the Company has concluded the buyback of 5,084,891 equity shares of face value of Rs 10/- each at a price of Rs. 99 per equity share ("Buyback") for an aggregate amount of Rs 5,034.04 lacs, as approved earlier by the Board of Directors on May 07, 2021 and approval of shareholders through special resolution passed in extra ordinary general Meeting dated May 08, 2021. Buyback was done at record date of May 08, 2021 and the equity shares bought back were extinguished on May 17, 2021. Total outflow of Rs. 5,034.04 lacs has been utilised from the share capital, general reserves and retained earnings, in line with the requirement under the Companies Act 2013.

Additionally, Capital Redemption Reserve of Rs. 508.49 lacs (equivalent to nominal value of the equity shares bought back) has been created out of retained earnings, in line with the requirement under the Companies Act 2013. Consequent to extinguishment of shares so bought back, the paid-up equity share capital has been reduced by Rs. 508.49 lacs.

39 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/ interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

40 Tax rate change

Pursuant to introduction of new tax regime as introduced by the Taxation Laws (Amendment) Act, 2019 which provided an option to the Company for paying Income Tax at reduced rates as per the provisions/ conditions defined in the newly inserted Section 115BAA in the Income-tax Act, 1961.

During the previous year the Company has exercised the option to adopt lower tax rate, consequently the Company had applied the lower income tax rates on the deferred tax assets/ liabilities to the extent these are expected to be realized or settled in the future period when the Company may be subjected to lower tax rate. This has resulted in reversal of net deferred tax liabilities amounting to INR 758.47 lacs in previous year.

S.R. BATLIBOI & CO LLP
GURUGRAM

(Amount in INR Lacs)

41 Other statutory information:

(i) The company do not have any Benami Property, where any proceeding has been initiated or pending against the company for holding any Benami Property.

(ii) The company do not have any transactions with companies struck off.

(iii) The company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The company have not advanced or loaned or invested funds to any other person(s) or entity (ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:

(a) Directly or indirectly lend or invest in other person or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) Provide any guarantee, security, or the like to or on behalf of the Ultimate Beneficiaries.

(vi) The company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the group shall:

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (Ultimate Beneficiaries) or

(b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(vii) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessment under the income tax Act,1961 (Such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(viii) The company has not been declared as wilful defaulter.

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

42 ACCOUNTING RATIOS

Particulars	Numerator	Denominator	March 31, 2022	March 31, 2021	% Change	Reason for variance more than 25%
Current Ratios (in times)	Current assets	Current liabilities	1.39	1.72	(19.1%)	Not applicable
Debt- Equity Ratio (in times)	Total debt	Shareholder equity	0.46	0.34	35.6%	Variance on account of overall increase in borrowings and reduction in shareholder equity because of buy back of shares
Debt Service Coverage ratio (in times)	Earning for Debt Service =Net Profit before taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets	Debt service = Interest & Lease Payments + Principal Repayments	1.95	2.37	(17.5%)	Not applicable
Return on Equity ratio (%)	Net profit after tax	Average Shareholder's Equity	2.59%	4.58%	(43.4%)	Decrease on account of lower Profit after tax in current year as compared to previous year.
Inventory Turnover ratio (in times)	Cost of goods sold	Average inventory	0.86	1.11	(22.5%)	Not applicable
Trade Receivable Turnover Ratio (in times)	Revenue from operations	Average trade receivable	2.40	2.30	4.6%	Not applicable
Trade Payable Turnover Ratio (in times)	Net Purchases	Average trade payables	2.92	2.50	16.6%	Not applicable
Net Capital Turnover Ratio (in times)	Revenue from operations	Average working capital	2.58	2.50	3.2%	Not applicable
Net Profit ratio (%)	Net Profit after Tax	Revenue from operations	3.32%	5.38%	(38.2%)	Decrease on account of lower Profit after tax in current year as compared to previous year.
Return on Capital Employed (%)	Earning before interest and taxes (EBIT)	Capital Employed	5.03%	5.81%	(13.4%)	Not applicable
Return on Investment (%) #	Interest (Finance Income)	Investment	NA	NA	-	

company do not have investment except wholly owned subsidiaries which are stated as cost as per Ind AS 27 'Separate Financial Statements'.

S.R. BATLIBOI & CO. LLP
GURUGRAM

43. The figures for the corresponding previous year have been regrouped/ reclassified, wherever considered necessary including requirements of the amended schedule III to the Companies Act, 2013, to make them comparable with current year classification

As per our report of even date

For S. R. **Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Amit Yadav
Partner
Membership No: 501753

Place : Gurugram
Date : September 24, 2022

For and on behalf of the Board of Directors of
DEE Development Engineers Limited

K.L. Bansal
Chairman & Managing Director
DIN No. 01125121

Ashima Bansal
Director
DIN No. 01928449

Ranjan Sarangi
Company Secretary
FCS-8604

Gaurav Narang
Chief Financial Officer

Place : Faridabad
Date : September 24, 2022

S.R. BATLIBOI & CO. LLP
Chartered Accountants

2nd & 3rd Floor
Golf View Corporate Tower - B
Sector - 42, Sector Road
Gurugram - 122 002, Haryana, India
Tel : +91 124 681 6000

INDEPENDENT AUDITOR'S REPORT

To the Members of DEE Development Engineers Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of DEE Development Engineers Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and joint controlled entity comprising of the consolidated Balance sheet as at March 31 2022, the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and joint controlled entity, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and jointly controlled entity as at March 31, 2022, their consolidated profit and their consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as 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 Consolidated Ind AS Financial Statements' section of our report. We are independent of the Group and jointly controlled entity in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the 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 audit opinion on the consolidated Ind AS financial statements.

Emphasis of Matter

We draw attention to the note 40 of consolidated Ind AS financial statements, which explains the uncertainties and the management's assessments of financial impact related to CoVID-19 Pandemic situation, for which a definitive assessment of the impact in subsequent period is dependent on future economic developments and circumstance as they evolve.

Our opinion is not modified in respect of this matter.

S. R. BATLIBOI & CO. LLP
GURUGRAM

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

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

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

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated Ind AS 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 for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including jointly controlled entity in accordance with the accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2021 specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and jointly controlled entity are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

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

Those respective Board of Directors of the companies included in the Group and jointly controlled entity are also responsible for overseeing the financial reporting process of their respective companies.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

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

S.R. BATLIBOI & CO. LLP
GURUGRAM

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS 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 Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and jointly controlled entity to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and jointly controlled entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and jointly controlled entity of which we are the independent auditors, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

S. R. BATLIBOI & CO. LLP
GURUGRAM

Other Matter

(a) We did not audit the financial statements and other financial information, in respect of three subsidiaries whose financial statements include total assets of Rs 20,626.53 lacs as at March 31, 2022, and total revenues of Rs 10,119.83 lacs and net cash outflows of Rs 116.93 lacs for the year ended on that date. These financial statement and other financial information have been audited by other auditors, whose financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated financial statements also include the Group's share of net profit of Rs. 17.70 lacs for the year ended March 31, 2022, as considered in the consolidated financial statements, in respect of one jointly controlled entity, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and jointly controlled entity and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and jointly controlled entity is based solely on the reports of such other auditors.

Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

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, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraphs 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, and jointly controlled entity, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

(a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

(d) In our opinion, the aforesaid consolidated financial statements comply with the Companies (Accounting Standards) Rules, 2021 specified under section 133 of the Act;

S.R. BATLIBOI & CO. LLP * GURUGRAM *

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies none of the directors of the Group's companies incorporated in India is 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 consolidated Ind AS financial statements of the Holding Company and its subsidiary companies incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries incorporated in India, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Holding Company and its subsidiaries incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and jointly controlled entity, as noted in the 'Other matter' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and jointly controlled entity in its consolidated financial statements – Refer Note 32 to the consolidated Ind AS financial statements;

ii. The Group and jointly controlled entity did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2022;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries incorporated in India during the year ended March 31, 2022.

iv. a) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, no funds have been received by the respective Holding Company or any of such subsidiaries from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever

S.R. BATLIBOI & CO. LLP * GURUGRAM *

by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v) No dividend has been declared or paid during the year by the Holding Company, its subsidiaries companies, incorporated in India

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

S.R. BATLIBOI & CO. LLP GURUGRAM

per Amit Yadav
Partner
Membership Number: 501753
UDIN: 22501753AURYQU5362

Place of Signature: Gurugram
Date: September 24, 2022

ANNEXURE '1' REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE

Re: DEE Development Engineers Limited ("the Holding Company")

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, and based on the consideration of report of the respective auditors of the subsidiary companies incorporated in India, we state that:

(xxi) There are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Holding Company.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

S.R. BATLIBOI & CO. LLP
GURUGRAM

per Amit Yadav
Partner
Membership Number: 501753
UDIN: 22501753AURYQU5362

Place of Signature: Gurugram
Date: September 24, 2022

ANNEXURE '2' TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS OF DEE DEVELOPMENT ENGINEERS LIMITED

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

In conjunction with our audit of the consolidated Ind AS financial statements of DEE Development Engineers Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to consolidated Ind AS financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated Ind AS 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 consolidated Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated Ind AS financial statements included obtaining an understanding of internal financial controls with reference to consolidated Ind AS 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 financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated Ind AS financial statements.

S.R. BATLIBOI & CO. LLP * GURUGRAM *

Meaning of Internal Financial Controls With Reference to Consolidated Ind AS Financial Statements

A company's internal financial control with reference to consolidated Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated Ind AS 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Ind AS Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated Ind AS 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 consolidated Ind AS financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated Ind AS 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 Group, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated Ind AS financial statements and such internal financial controls with reference to consolidated Ind AS financial statements were operating effectively as at March 31,2022, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to these 2 subsidiaries which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries incorporated in India.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

S.R. BATLIBOI & CO. LLP GURUGRAM

per Amit Yadav
Partner
Membership Number: 501753
UDIN: 22501753AURYQU5362

Place of Signature: Gurugram
Date: September 24, 2022

DEE Development Engineers Limited
Consolidated Balance Sheet as at 31 March 2022

(Amount in INR Lacs)

Particulars	Notes	As at 31 March 2022	As at 31 March 2021
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	3	34,539.18	36,007.37
(b) Capital work-in-progress	3	426.48	200.18
(c) Goodwill	3 (a)	271.18	271.18
(d) Other intangible assets	3 (a)	185.58	226.33
(e) Right of use assets	39	434.09	459.23
(f) Investment in subsidiary and jointly controlled entity	4	1.00	1.00
(g) Financial assets			
(i) Others	5(C)	927.28	535.03
(h) Deferred tax assets (net)	15(C)	248.03	207.04
(i) Other non-current assets	6	542.22	249.92
Total non-current assets		**37,575.04**	**38,157.28**
(2) Current assets			
(a) Inventories	7	24,203.23	18,426.04
(b) Financial assets			
(i) Trade receivables	5(A)	15,343.44	19,845.91
(ii) Cash and cash equivalents	5(B)	33.85	505.33
(iii) Others	5(C)	2,562.96	2,866.01
(c) Other current assets	6	4,821.28	3,787.04
Total current assets		**46,964.76**	**45,430.33**
Total assets		**84,539.80**	**83,587.61**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	8	1,060.78	1,569.27
(b) Other Equity	9	40,137.37	43,862.52
Total equity		**41,198.15**	**45,431.79**
Liabilities			
(1) Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	10(A)	4,682.15	5,131.12
(ii) Lease liabilities	11A	404.17	406.38
(b) Deferred tax liabilities (net)	15(C)	2,029.73	2,123.44
(c) Provisions	12	13.66	104.70
(d) Other non current liabilities	14	95.92	93.15
Total non-current liabilities		**7,225.63**	**7,858.79**
(2) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	10(B)	23,853.76	20,585.50
(ii) Lease Liabilities	11A	99.00	94.31
(iii) Trade payables			
Total outstanding due of micro and small enterprises	16	449.86	238.24
Total outstanding due of other than micro and small enterprises	16	9,913.12	7,510.55
(iv) Other	11	412.50	291.08
(b) Liabilities for current tax (net)	13	40.70	13.79
(c) Provisions	12	194.21	139.77
(d) Other current liabilities	14	1,152.87	1,423.79
Total current liabilities		**36,116.02**	**30,297.03**
Total Equity and Liabilities		**84,539.80**	**83,587.61**
Summary of significant accounting policies	2		

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Amit Yadav**
Partner
Membership No: 501753

Place : Gurugram
Date : September 24, 2022

For and on behalf of the Board of Directors of
DEE Development Engineers Limited

K.L. Bansal
Chairman & Managing Director
DIN No. 01125121

Ashima Bansal
Director
DIN No. 01928449

Ranjan Sarangi
Company secretary
FCS-8604

Gaurav Narang
Chief Financial Officer

Place : Faridabad
Date : September 24, 2022

DEE Development Engineers Limited
Consolidated Statement of Profit and Loss for the year ended 31 March 2022

(Amount in INR Lacs)

	Particulars	Notes	For the year ended 31 March 2022	For the year ended 31 March 2021
I	Revenue from operations	17	46,091.58	49,521.73
II	Other income	18	992.34	1,780.94
III	**Total Income (I + II)**		**47,083.92**	**51,302.67**
IV	**Expenses**			
	Cost of material consumed	19	19,489.73	19,847.14
	Purchases of stock in trade		113.52	95.69
	Changes in inventories of finished goods, stock in trade and work-in-progress	20	(2,420.99)	3,700.46
	Employee benefit expenses	21	7,929.82	7,396.25
	Depreciation and amortization expense	22	3,589.93	3,553.76
	Finance cost	24	2,533.62	2,712.75
	Other expenses	23	14,518.88	13,113.75
	Total expenses (IV)		**45,754.51**	**50,419.80**
V	**Profit before share of profit of a jointly controlled entity, exceptional items and tax (III - IV)**		**1,329.41**	**882.87**
	Share of profit/(loss) of a jointly controlled entity (refer note no 29)		-	12.06
VI	**Profit before tax**		**1,329.41**	**894.93**
VII	**Tax expense:**			
	(1) Current tax	15 (A)	677.53	730.87
	(2) Income tax adjustment related to earlier years		(29.84)	(12.71)
	(3) Deferred tax (credit)/ charge	15	(137.96)	(1,243.76)
VIII	**Profit for the year (VI-VII)**		**819.68**	**1,420.53**
IX	**Other comprehensive income / (loss)**	25		
	Items that will not be reclassified to profit or loss:			
	Re-measurement gain/ (loss) on defined benefit plans		13.10	34.50
	Income tax effect		(3.24)	(8.82)
	Items that will be reclassified to statement of profit or loss:			
	Exchange differences on translation of foreign operations	9(E)	(29.14)	196.29
	Net Comprehensive Income/(loss)		**(19.28)**	**221.97**
X	**Total Comprehensive Income for the year (net of tax) (VIII + IX)**		**800.40**	**1,642.50**
XI	**Earnings per equity share nominal value of shares INR 10 each**			
	- Basic earnings per share	26	7.12	10.47
	- Diluted earnings per share	26	7.12	10.47
	Summary of significant accounting policies	2		

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date

For S. R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

S. R. BATLIBOI & CO. LLP GURUGRAM

per Amit Yadav
Partner
Membership No: 501753

Place : Gurugram
Date : September 24, 2022

For and on behalf of the Board of Directors of
DEE Development Engineers Limited

K.L. Bansal
Chairman & Managing Director
DIN No. 01125121

Ashima Bansal
Director
DIN No. 01928449

Ranjan Sarangi
Company secretary
FCS-8604

Gaurav Narang
Chief Financial Officer

Place : Faridabad
Date : September 24, 2022

DEE Development Engineers Limited
Consolidated Statement of Cash Flows for the year ended 31 March 2022

(Amount in INR Lacs)

Particulars		For the year ended 31 March, 2022	For the Year ended 31 March, 2021
A. Cash flow from operating activities			
Profit before income tax		**1,329.41**	**894.93**
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation and amortisation expense		3,589.93	3,553.76
Loss on sale/ discard of fixed assets (net)		5.93	25.20
Finance costs		2,533.62	2,712.75
Amortization of deferred revenue on advance received from MNRE		-	(5.70)
Amortization of deferred revenue obligation		-	(53.58)
Unrealized gain/loss on foreign exchange (net)		(268.41)	(214.35)
Sundry balances written off		-	3.70
Re-measurement gains/ (losses) on defined benefit plans		(1.32)	3.78
Finance income		(134.81)	(223.11)
Operating profit before working capital changes		**7,054.35**	**6,697.38**
Working capital adjustments:			
Change in trade receivables		4,548.18	3.86
Change in inventories		(5,764.66)	6,357.75
Change in current/non-current financial assets		(15.81)	(20.04)
Change in other current/non-current assets		(1,196.97)	(615.20)
Change in trade payables		2,414.80	653.65
Change in provisions		(30.66)	(5.56)
Change in current/non-current financial liabilities		416.33	83.41
Change in other current/non-current liabilities		(74.65)	(2,893.45)
Cash generated/ (used in) from operations		**7,350.91**	**10,261.80**
Direct tax paid		(636.18)	(707.55)
Net cash (outflow)/ inflow from operating activities	A.	**6,714.73**	**9,554.25**
B. Cash flow from investing activities			
Purchase of property, plant & equipment		(2,631.68)	(1,686.28)
Proceeds from sale of property, plant & equipment		249.76	130.81
Investment in wholly owned subsidiary company		-	(1.00)
Investments in bank deposits		(1,331.66)	(1,587.19)
Buy back of Shares		(5,034.04)	-
Proceeds from redemption/ maturity of bank deposits		865.22	1,688.39
Interest received		633.70	777.94
Net cash inflow/ (outflow) from investing activities	B.	**(7,248.70)**	**(677.33)**
C. Cash flow from financing activities			
Proceeds from borrowings		6,379.22	3,770.36
Repayment of Borrowing		(3,378.36)	(9,294.58)
Interest paid		(2,870.42)	(3,184.09)
Principle repayment of lease liabilities		(43.63)	(31.26)
Interest Paid on lease liabilities		(24.32)	(19.11)
Net cash inflow/ (outflow) from financing activities	C.	**62.49**	**(8,758.68)**
Net increase/ (decrease) in cash and cash equivalents (A + B + C)		**(471.48)**	**118.24**
Opening balance of cash and cash equivalents		505.33	387.09
Closing balance of cash and cash equivalents		**33.85**	**505.33**

Notes:

1 The above cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, :Statement of Cash Flows"

S. R. BATLIBOI & CO. LLP
GURUGRAM

(Amount in INR Lacs)

Components of cash and cash equivalents :

Particulars	For the year ended 31 March, 2022	For the Year ended 31 March, 2021
Cash and cash equivalents		
Cash on hand	5.30	4.84
Balance with banks	28.55	500.49
	33.85	**505.33**

As per our report of even date

For S. R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Amit Yadav
Partner
Membership No: 501753

Place : Gurugram
Date : September 24, 2022

For and on behalf of the Board of Directors of
DEE Development Engineers Limited

K.L. Bansal
Chairman & Managing Director
DIN No. 01125121

Ashima Bansal
Director
DIN No. 01928449

Ranjan Sarangi
Company secretary
FCS-8604

Gaurav Narang
Chief Financial Officer

Place : Faridabad
Date : September 24, 2022

DEE Development Engineers Limited
Consolidated Statement of changes in equity for the year ended 31 March 2022

(Amount in INR Lacs)

A. **Equity share capital:**

Particulars	Equity Shares No. in lacs	Equity Shares INR lacs
Equity shares of INR 10 each issued, subscribed and fully paid		
At 31 March 2020	156.93	1,569.27
Increase/ (decrease) during the year	-	-
At 31 March 2021	156.93	1,569.27
Increase/ (decrease) during the year (Refer Note no 41)	(50.85)	(508.49)
At 31 March 2022	106.08	1,060.78

B. **Other equity**

Particulars	Reserves and Surplus				Other Comprehensive Income	Total
	Securities Premium	General reserve	Capital Redemption Reserve	Retained earnings	Foreign Currency Translation Reserve	
Balance as at the 31 March 2020	16,730.93	4,585.71	-	20,517.78	385.60	42,220.02
Add/ (less):						
Profit for the year	-	-	-	1,420.53	-	1,420.53
Other comprehensive income/ (loss) for the year	-	-	-	25.68	-	25.68
Exchange difference on translation of foreign operations	-	-	-	-	196.29	196.29
Balance as at the 31 March 2021	**16,730.93**	**4,585.71**	-	**21,963.99**	**581.89**	**43,862.52**
Add/ (less):						
Profit for the year	-	-	-	819.68	-	819.68
Other comprehensive income/ (loss) for the year	-	-	-	9.86	-	9.86
Exchange difference on translation of foreign operations	-	-	-	-	(29.14)	(29.14)
Buy Back of shares (Refer Note no 41)	-	(508.49)	508.49	(4,525.55)	-	(4,525.55)
Balance as at the 31 March 2022	**16,730.93**	**4,077.22**	**508.49**	**18,267.98**	**552.75**	**40,137.37**

Summary of significant accounting policies 2

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date

For S. R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Amit Yadav
Partner
Membership No: 501753

Place : Gurugram
Date : September 24, 2022

For and on behalf of the Board of Directors of
DEE Development Engineers Limited

K.L. Bansal
Chairman & Managing Director
DIN No. 01125121

Ashima Bansal
Director
DIN No. 01928449

Ranjan Sarangi
Company secretary
FCS-8604

Gaurav Narang
Chief Financial Officer

Place : Faridabad
Date : September 24, 2022

1. Corporate Information

The consolidated financial statements comprise financial statements of Dee Development Engineers Limited ("the Company or Holding Company"),its subsidiaries and jointly controlled entity (collectively, the Group) for the year ended 31 March 2022. The group is a public group domiciled in India and is incorporated under the provisions of the Companies Act applicable in India.

The Group primarily engaged in manufacturing of Pre-fabricated Engineering Products, Pipe Fittings, Piping Systems and Biomass based Power Generation. The Group has manufacturing facilities at Tatarpur (Haryana), Power Generation Plant at Abohar (Punjab), Muktasar (Punjab), Gandhidham (Gujrat) and Thailand.

The consolidated Financial statements were authorised for issuance in accordance with a resolution of the directors on September 24, 2022.

The consolidated Financial Statements comprise the results of the holding group (along with its its subsidiaries and jointly controlled entity). The particulars of subsidiaries considered in the consolidated financial statements are as under:

Name of group	Country of incorporation	% of ownership
(i) subsidiaries		
Malwa Power Private Limited (MPPL)	India	100
Dee Fabricom India Pvt. Ltd. (DFIPL)	India	100
Dee Piping Systems (Thailand) Co. Ltd (DPSTL)	Thailand	100
(ii) Jointly controlled entity		
Dee Fabricom LLC	Dubai	49

2 Significant Accounting Policies

a. Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by ministry of corporate affairs under section 133 of Companies Act 2013 (Act) raed with under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the Consolidated Financial statement.

The financial statements of the group have been prepared on a historical cost basis, except for the following assets and liabilities:
(i) Certain financial assets and liabilities measured at fair value.
(ii) Defined benefit plan- plan assets measured at fair value.
(iii) Derivative financial instruments

The financial statements are presented in INR and all values are rounded to the nearest lacs (INR 00,000), except when otherwise stated.

b. Basis of consolidation

The consolidated financial statements comprise the financial statements of the holding Co., its subsidiaries and jointly controlled entity as at 31 March 2022. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- ► Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- ► Exposure, or rights, to variable returns from its involvement with the investee, and
- ► The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- ► The contractual arrangement with the other vote holders of the investee
- ► Rights arising from other contractual arrangements
- ► The Group's voting rights and potential voting rights
- ► The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent group, i.e., year ended on 31 March. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

S. R. BATLIBOI & CO. LLP ★ GURUGRAM ★

Consolidation procedures are:

(a) Subsidiaries

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- ► Derecognises the assets (including goodwill) and liabilities of the subsidiary
- ► Derecognises the carrying amount of any non-controlling interests
- ► Derecognises the cumulative translation differences recorded in equity
- ► Recognises the fair value of the consideration received
- ► Recognises the fair value of any investment retained
- ► Recognises any surplus or deficit in profit or loss
- ► Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required

(b) Investment in jointly controlled entity

A jointly controlled entity is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the jointly controlled entity. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Group's investments in its jointly controlled entity are accounted for using the equity method. Under the equity method, the investment in jointly controlled entity is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the jointly controlled entity since the acquisition date. Goodwill relating to the jointly controlled entity is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the jointly controlled entity. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the jointly controlled entity, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or jointly controlled entity are eliminated to the extent of the interest in the jointly controlled entity.

If an entity's share of losses of a jointly controlled entity equals or exceeds its interest in the jointly controlled entity (which includes any long term interest that, in substance, form part of the Group's net investment in the jointly controlled entity), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the jointly controlled entity. If the jointly controlled entity subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of jointly controlled entity is shown on the face of the statement of profit and loss. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its jointly controlled entity. At each reporting date, the Group determines whether there is objective evidence that the investment in the jointly controlled entity is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the jointly controlled entity and its carrying value, and then recognises the loss as 'Share of profit of an associate and a jointly controlled entity' in the statement of profit or loss.

Upon loss of significant influence over the jointly controlled entity, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the jointly controlled entity upon loss of significant influence or joint control and the fair value of the retained

S.R. BATLIBOI & CO. LLP
GURUGRAM

c. Change in ownership interest

The group treats transaction with non-controlling interests that do not result in a loss of control as transaction with the equity owners of the group. A change in ownership interest results in adjustment between the carrying amounts of the controlling and non-controlling interest to reflect their relative interest in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

d. Goodwill

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquire are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

e. Use of Estimates

The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of income and expenses of the period, reported balances of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Examples of such estimates include provisions for doubtful debts and advances, future obligations under employee retirement benefit plans, useful lives of fixed assets, contingencies, etc. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between actual result and estimates are recognised in the period in which the results are known/materialise.

f. Current vs Non Current Classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:
- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:
- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has

g. Foreign currencies

The Group financial statements are presented in INR, which is also the Group's functional currency. Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency').For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. For the purpose of consolidation into the financial statement of ultimate parent Group, these financial statements are presented in INR, being the functional and presentation currency of ultimate parent Group . The Group uses the direct method of consolidation and on disposal of a foreign operation the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.

Transaction and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Group uses an average rate if the average approximates the actual rate at the date of the transaction.The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.
Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss in the period in which they arise with the exception of exchange differences on gain or loss arising on translation of non-monetary items measured at fair value which is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

Group had availed the option of Para 46 A if AS 11 under previous GAAP and also same option has been continued under IND AS as per option given under IND AS 101 and accordingly exchange differences arising on translation of long-term foreign currency monetary items for the period ending immediately before the beginning of the first Ind AS financial reporting period is deferred/capitalised. A long-term foreign currency monetary item is an item having a term of 12 months or more at the date of its origination.

h. Revenue from contract or services with customer

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Group has concluded that it is the principal in all of its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

The Group collects Goods and service tax (GST) on behalf of the government and therefore, these are not economic benefits flowing to the Group. Hence, they are excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of Goods

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer, generally on delivery of the equipment. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.
In determining the transaction price for the sale of equipment, the Group considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

(i) Variable consideration

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Rendering of Services

Revenue from errection service and job work is recognised as per the contractual terms and as and when services are rendered. The Group collects Goods and service tax (GST) on behalf of the government and, therefore, it is not an economic benefit flowing to the Group. Hence, it is excluded from revenue.

S. R. BATLIBOI & CO. LLP
GURUGRAM

Interest Income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Sale of Electricity

Revenue from sales of electricity is billed on the basis of recording of supply of electricity through installed meters. Revenue from sales of electricity is accounted for on the basis of billing to customers based on billing cycles followed by the group.

i. Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (w) Financial instruments – initial recognition and subsequent measurement.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract

j. Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

k. Taxation

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

S. R. BATLIBOI & CO. LLP * GURUGRAM *

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax includes Minimum Alternate Tax (MAT) and recognises MAT credit available as an asset only to the extent that there is convincing evidence that the Group will pay normal income tax during the specified period i.e. the period for which MAT credit is allowed to be carried forward. The Group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Group does not have any convincing evidence that it will pay normal tax during the specified period.

For operations carried out under tax holiday period (80IA benefit of Income Tax Act, 1961), deferred tax asset or liabilities if any, have been established for the tax consequences of those temporary differences between the carrying values of assets and liabilities and their respective tax bases that reverse after the tax holiday period ends.

l. Property, Plant and Equipment

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. All the property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

The group, based on technical assessment made by technical expert and management estimate, depreciates plant and machineries of piping division over estimated useful lives of 15 to 25 years which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

In case of other assets, depreciation has been provided on straight line method on the economic useful life prescribed by Schedule II to the Companies Act'2013. Depreciation on addition to or on disposal of Fixed Asset is calculated on pro rata basis. Addition, to Fixed Assets costing less than or equal to Rs. 5,000 are depreciated fully in the year of purchase.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

m. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Amortisation of intangible assets is allocated on systematic basis over the best estimate of their useful life and accordingly software's are amortised on straight line basis over the period of six years or license period which ever is lower.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised. The Group has no intangible assets with an indefinite life

S.R. BATLIBOI & CO. LLP
* GURUGRAM *

n. Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

o. Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(a) Right-of-use asset

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Particulars	Useful life (years) As per Management
Leasehold Land	5-10
Computer and data processing equipment	4
Plant & Machinery	5

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (2.n) Impairment of non-financial assets.

(b) Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable,variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

(c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

S. R. BATLIBOI & CO. LLP
GURUGRAM

p. Inventories

Inventories	
Raw materials, Stores, Spares, Other Materials and Traded Goods	Lower of cost and net realizable value. However, materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated, are expected to be sold at or above cost. Cost is determined on weighted average cost basis. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.
Finished goods	Lower of cost and net realizable value. Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average cost basis. Cost of finished goods includes excise duty, wherever applicable.
Work in Progress	Work in Progress is valued at the lower of actual cost incurred or net realizable value. Net realisable value is determined after deducting estimated cost expected to be incurred for completion of work. Cost includes direct materials, labour and proportionate overheads.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

q. Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

r. Provisions

A provision is recognised when Group has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. If the effect of time value of money is material, provisions are discounted using a pre-tax rate that reflects when appropriate, the risks specific to the liability.

s. Retirement and Other Employee Benefits

(i) Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

(ii) Gratuity is a defined benefit plan and provision is being made on the basis of actuarial valuation carried out by an independent actuary at the year end using projected unit credit method, and is contributed to the Gratuity fund managed by the Life Insurance Corporation of India.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:
- ► The date of the plan amendment or curtailment, and
- ► The date that the Group recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:
- ► Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- ► Net interest expense or income

S. R. BATLIBOI & CO. LLP * GURUGRAM *

Compensated Absences

Accumulated leave which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to statement of Profit and Loss in the period in which they occur. The Group presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- ▶ Debt instruments at amortised cost
- ▶ Debt instruments at fair value through other comprehensive income (FVTOCI)
- ▶ Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- ▶ Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

S. R. BATLIBOI & CO. LLP
GURUGRAM

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

► The rights to receive cash flows from the asset have expired, or

► The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets. The Group follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

► All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the Group is required to use the remaining contractual term of the financial instrument

► Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L).

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, trade and other payables. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings including cash credit and financial guarantee contracts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Group has not designated any financial liability as at fair value through profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

S.R. BATLIBOI & CO. LLP
GURUGRAM

u. Derivative financial instruments

The Group uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.
Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

v. Fair Value

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
► In the principal market for the asset or liability, or
► In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.
The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
► Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
► Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
► Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's management determines the policies and procedures for recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies. The management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

w. Contingent liability

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the financial statements unless the probability of outflow of resources is remote.

Provisions and contingent liabilities are reviewed at each balance sheet date.

x. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Board of Directors identified as chief operating decision-maker (CODM). The CODM is responsible for allocating resources and assessing performance of the operating segments. Segments are organised based on type of services delivered or provided. Segment revenue arising from third party customers is reported on the same basis as revenue in the group Ind AS financial statements. Segment results represent profits before unallocated corporate expenses and taxes. "Unallocated Corporate Expenses" include expenses that relate to costs attributable to the Group as a whole and are not attributable to segments.

y. Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.
For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above as they are considered an integral part of the Group's cash management.

z. Dividend Distributions

The Group recognises a liability to make cash to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

aa. Earnings per share

S. R. BATLIBOI & CO. LLP
GURUGRAM

Basic earnings per share are calculated by dividing the net profit or loss (after Tax) for the year attributable to equity shareholders of holding Co. by the weighted average number of equity shares outstanding during the year.
Diluted earnings per share are calculated by dividing the net profit or loss (after Tax) for the year attributable to equity shareholders of holding Co. by the weighted average number of equity shares which would be issued on the conversion of all the dilutive potential equity shares into equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date.

2.1 New and amended Standard

There were certain amendments that apply for the first time for the year ending 31 March 2022, but do not have a material impact on the consolidated financial statements of the Group. The Group has not early adopted any standards or amendments that have been issued but are not yet effective.

(i) Interest Rate Benchmark Reform – Phase 2: Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR).

The amendments include the following practical expedients:
• A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest
• Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued
• Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

These amendments had no impact on the Consolidated financial statements of the Group

(ii) Conceptual framework for financial reporting under Ind AS issued by ICAI

The Framework is not a Standard and it does not override any specific standard. Therefore, this does not form part of a set of standards pronounced by the standard-setters. While, the Framework is primarily meant for the standard-setter for formulating the standards, it has relevance to the preparers in certain situations such as to develop consistent accounting policies for areas that are not covered by a standard or where there is choice of accounting policy, and to assist all parties to understand and interpret the Standards.

The amendments made in following standards due to Conceptual Framework for Financial Reporting under Ind AS includes amendment of the footnote to the definition of an equity instrument in Ind AS 102- Share Based Payments, footnote to be added for definition of liability i.e. definition of liability is not revised on account of revision of definition in conceptual framework in case of Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets etc.

The MCA has notified the Amendments to Ind AS consequential to Conceptual Framework under Ind AS vide notification dated 18 June 2021, applicable for annual periods beginning on or after 1 April 2021. Accordingly, the Conceptual Framework is applicable for preparers for accounting periods beginning on or after 1 April 2021.

These amendments had no impact on the Consolidated financial statements of the Group

(iii) Ind AS 116: COVID-19 related rent concessions

MCA issued an amendment to Ind AS 116 Covid-19-Related Rent Concessions beyond 30 June 2021 to update the condition for lessees to apply the relief to a reduction in lease payments originally due on or before 30 June 2022 from 30 June 2021. The amendment applies to annual reporting periods beginning on or after 1 April 2021.
Since Group's current practice is in line with the clarifications issued, there is no material effect on the Consolidated financial statements of the Group.

(iv) Ind AS 103: Business combination

The amendment states that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Framework for the Preparation and Presentation of Financial Statements in accordance with Indian Accounting Standards issued by the Institute of Chartered Accountants of India at the acquisition date. Therefore, the acquirer does not recognise those costs as part of applying the acquisition method. Instead, the acquirer recognises those costs in its post-combination financial statements in accordance with other Ind AS.

This amendment had no impact on the Consolidated financial statements of the Group but may impact future periods should the Group enter into any business combinations

(v) Amendment to Ind AS 105, Ind AS 16 and Ind AS 28

The definition of "Recoverable amount" is amended such that the words "the higher of an asset's fair value less costs to sell and its value in use" are replaced with "higher of an asset's fair value less costs of disposal and its value in use". The consequential amendments are made in Ind AS 105, Ind AS 16 and Ind AS 28.

These amendments had no impact on the Consolidated financial statements of the Group.

Amendments to the Schedule III of the Companies Act, 2013

On 24 March 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from 1 April 2021.

Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

S. R. BATLIBOI & CO. LLP
GURUGRAM

(i) Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of laye of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

(ii) Statement of profit and loss:

Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of financial statements.

The above disclosure amendments were extensive and the appropriate effect (to the extent applicable) to them, as required by law has been given in the standalone financial statements of the Group.

2.2 Standards issued but not yet effective

There are no new standards that are notified, but not yet effective, upto the date of issuance of the these financial statements.

S. R. BATLIBOI & CO. LLP * GURUGRAM *

(Amount in INR Lacs)

3 Property, plant and equipment

Particulars	Freehold land	Buildings	Furniture & Fittings	Plant & Machinery*	Electrical Installations and Equipment	Office equipment	Motor Vehicles	Computers and Data processing team	Ropeway structure	Roads	Moulds & Dies	Hydraulic Works, Pipelines And Sluices	Total Tangible assets	Capital work in Progress
As at 01 April 2020	4,004.92	15,144.53	632.56	23,479.87	1,014.17	252.09	1,054.48	848.41	37.39	125.28	649.85	157.94	47,401.49	197.34
Additions	-	130.90	23.91	794.17	13.11	20.58	139.64	131.91	-	-	53.09	-	1,307.31	141.57
Foreign exchange impact	27.38	131.73	0.73	88.97	0.91	2.74	7.19	3.24	-	-	-	-	262.89	-
Disposal/Adjustment	-	-	-	(157.91)	-	-	(122.26)	(152.31)	-	-	-	-	(432.48)	(138.73)
As at 31 March 2021	4,032.30	15,407.16	657.20	24,205.10	1,028.19	275.41	1,079.05	831.25	37.39	125.28	702.94	157.94	48,539.21	200.18
Additions	-	695.17	136.60	1,215.21	60.71	10.93	48.08	127.41	-	-	-	-	2,294.11	745.93
Foreign exchange impact	(41.00)	(197.45)	(1.10)	(136.74)	(1.64)	(4.46)	(12.02)	(5.47)	-	-	-	-	(399.88)	-
Disposal/Adjustment	-	-	-	(78.88)	(12.29)	(0.80)	(31.77)	(16.73)	-	-	-	-	(140.47)	(519.63)
As at 31 March 2022	3,991.30	15,904.88	792.70	25,204.69	1,074.97	281.08	1,083.34	936.46	37.39	125.28	702.94	157.94	50,292.97	426.48
Accumulated depreciation														
As at 01 April 2020	-	2,025.09	283.90	5,438.88	424.32	129.40	309.35	477.71	10.18	54.23	202.49	53.48	9,409.03	-
Charge for the year	-	752.04	67.13	1,982.99	126.74	40.97	118.39	186.42	2.66	13.55	70.15	13.13	3,374.17	-
Foreign exchange impact	-	13.01	0.17	8.84	0.21	0.61	0.80	0.80	-	-	-	-	24.44	-
Disposal/Adjustment	-	-	-	(106.78)	-	-	(26.33)	(142.69)	-	-	-	-	(275.80)	-
As at 31 March 2021	-	2,790.14	351.20	7,323.93	551.27	170.98	402.21	522.24	12.84	67.78	272.64	66.61	12,531.84	-
Charge for the year	-	840.27	71.06	1,986.19	119.71	39.39	116.94	158.15	2.66	13.55	70.69	13.13	3,431.74	-
Foreign exchange impact	-	(39.47)	(0.77)	(92.25)	(0.99)	(2.86)	(2.47)	(4.57)	-	-	-	-	(143.38)	-
Disposal/Adjustment	-	-	-	(21.05)	(11.30)	(0.28)	(20.48)	(13.30)	-	-	-	-	(66.41)	-
As at 31 March 2022	-	3,590.94	421.49	9,196.82	658.69	207.23	496.20	662.52	15.50	81.33	343.33	79.74	15,753.79	-
Net Block:														
As at 31 March 2021	4,032.30	12,617.02	306.00	16,881.17	476.92	104.43	676.84	309.01	24.55	57.50	430.30	91.33	36,007.37	200.18
As at 31 March 2022	3,991.30	12,313.94	371.21	16,007.87	416.28	73.85	587.14	273.94	21.89	43.95	359.61	78.20	34,539.18	426.48

Notes:

i) On transition to Ind AS (i.e. 1 April 2015), the Group has elected to continue with the carrying value of all Property, plant and equipment measured as per previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.

ii) Capital work-in-progress
Capital work-in progress is comprised of expenditure on buildings under course of construction in respect of factory buildings and expenditure on Plant and Machinery

iii) Property plant and equipment pledged as security
Refer note 10(A) and 10(B) for information on property, plant and equipment pledged as security for borrowings by the Group.

iv) Assets held with third party
Plant and Machinery includes Gross Block of INR 97.88 lacs, net block of INR 34.28 lacs.(31 March 2021: Gross block of INR 166.53 lacs, net block of INR 79.43 lacs.) held by third party.

S.R. BATLIBOI & CO. LLP * GURUGRAM *

(Amount in INR Lacs)

v) Capital work in progress (CWIP) Ageing Schedule

As at 31 March 2022

	Amount in CWIP for a period of				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
	INR lacs	INR lacs	INR lacs	INR lacs	**INR lacs**
Projects in progress#	358.39	23.10	44.99	-	**426.48**
Projects temporarily suspended	-	-	-	-	-
Total	358.39	23.10	44.99	-	**426.48**

As at 31 March 2021

	Amount in CWIP for a period of				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
	INR lacs	INR lacs	INR lacs	INR lacs	**INR lacs**
Projects in progress#	124.66	75.52	-	-	**200.18**
Projects temporarily suspended	-	-	-	-	-
Total	**124.66**	**75.52**	-	-	**200.18**

#There are no projects in progress under capital work in progress whose completion is overdue or has exceeded its cost as compared to its original plan.

S. R. BATLIBOI & CO. LLP * GURUGRAM *

(Amount in INR Lacs)

3 (a) Intangible assets

Particulars	Goodwill*	Software	Total
Gross Block			
As at 01 April 2020	**271.18**	**639.61**	**910.79**
Additions	-	74.96	74.96
Disposal/Adjustment	-	1.80	1.80
As at 31 March 2021	**271.18**	**716.37**	**987.55**
Additions	-	25.00	25.00
Foreign exchange impact	-	(2.70)	(2.70)
Disposal/Adjustment	-	(0.25)	(0.25)
As at 31 March. 2022	**271.18**	**738.42**	**1,009.60**
Accumulated Amortisation			
As at 01 April 2020	- #	**386.62**	**386.62**
Charge for the year	-	102.76	102.76
Fluctuation	-	0.66	0.66
Disposal/Adjustment	-	-	-
As at 31 March 2021	- #	**490.04**	**490.04**
Charge for the year	-	65.61	65.61
Fluctuation	-	(2.61)	(2.61)
Disposal/Adjustment	-	(0.20)	(0.20)
As at 31 March. 2022	-	**552.84**	**552.84**
Net Block:			
As at 31 March 2021	271.18	226.33	497.51
As at 31 March. 2022	**271.18**	**185.58**	**456.76**

Note to the intangible assets:
On transition to Ind AS (i.e. 1 April 2015), the Group has elected to continue with the carrying value of all intangible measured as per previous GAAP and use that carrying value as the deemed cost of intangible assets.

* Goodwill arising out of consolidation

Impairment testing of goodwill
For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the respective businesses

The Group performed its annual impairment test for the year eded 31 March 2022 and 31 March 2021.Goodwill acquired in the business combination are tested for impairment at individual entity (business) level.

The recoverable amount of a CGU is the higher of its fair value less cost to sell (using sales comparable approach) and its value-in-use.

As at 31 March 2022 and 31 March 2021, the estimated recoverable amount of the CGU exceeded its carrying amounts. Accordingly, no impairment of goodwill have been recorded in statement of profit and loss. Management believes that any reasonable possible changes in the projected financial budgets and other assumptions would not cause the carrying amount to exceed the recoverable amount of the cash generating unit.

'--------------------This page has been intentionally left blank--------------------

S.R. BATLIBOI & CO. LLP * GURUGRAM *

(Amount in INR Lacs)

4 Investment

Particulars	As at 31 March 2022	As at 31 March 2021
Investment in foundation		
Atul Krishan Bansal Foundation	1.00	1.00
- 10,000 (31 March 2021: 10,000) equity shares of Rs. 10/- each fully paid up		
Investment in jointly controlled entity**		
In DEE Fabricom LLC		
Opening Investment	-	73.42
Add: Share of Profit/(Loss) of investment in jointly controlled entity	-	12.06
Closing Investment	-	86.48
Less : Impairment in value of investment of Dee Fabricom LLC	1.00	(85.48)
Net Investment	1.00	1.00
Aggregate amount of unquoted investment	-	85.48
Aggregate amount of impairment in value of investment	-	85.48

* Subsidiary is company incorporated under Section 8 of Companies Act, 2013 with the objective of carryig out charitable and non profit activities. Any surplus or profit generated by the company is not for the purpose of distribution among the members. Accordingly the same has not be considered for consolidation.

The group has made strategic investment in subsidiary to have wider market spread and overall growth of group. Subsidiary is in initial stage of its operation therefore it is incurring losses. Based on the projections and business plans of Company, there are no indicators for impairment.

'All the investment in equity shares of subsidiaries and jointly controlled entity are valued at cost as per IND AS 27 'Separate Financial Statement'

**'In current year, company in its Board of Director's meeting held on September 20, 2021 passed a resolution approving winding up of its joint controlled entity Dee Fabricom LLC, Dubai and accordingly, initiated the completion of closure formalities.
Accordingly, company has completed the completion formalities and trade licence has been deregistered as per UAE laws on March 29, 2021. Further, subsequent to deregistration of trade licence, VAT number has also been De-registered and closure certificate is issued by the Federal Tax Authority dated 13th January, 2022.
Thus, the jointly controlled entity stands closed and the same has been reported by the company with RBI. The financials and results of same has been consolidated till December 31, 2021.

5 Financial assets

5(A) Trade receivables

Particulars	As at 31 March 2022	As at 31 March 2021
Unsecured, considered good		
Trade receivables	15,343.44	19,845.91
Total Reveivables	**15,343.44**	**19,845.91**

-No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member .

-For terms and conditions relating to related party receivables, refer note 31

-Trade receivables are non-interest bearing and are generally on terms of 30 to 180 days.

Trade receivables Ageing Schedule

As at 31 March 2022

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed							
- Considered good	11,246.39	2,731.09	530.56	166.74	423.00	-	15,097.77
- Credit impaired	-	-	-	-	-	-	-
Disputed	-	-	-	-	-	-	-
- Considered good	-	-	-	-	-	245.67	245.67
- Credit impaired	-	-	-	-	-	-	-
TOTAL	**11,246.39**	**2,731.09**	**530.56**	**166.74**	**423.00**	**245.67**	**15,343.44**

As at 31 March 2021

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed	14,753.33	3,311.78	554.55	1,156.56	69.69	-	19,845.91
- Considered good	-	-	-	-	-	-	-
- Credit impaired							
Disputed							
- Considered good	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
TOTAL	**14,753.33**	**3,311.78**	**554.55**	**1,156.56**	**69.69**	-	**19,845.91**

5(B) Cash and cash equivalents

Particulars	Current As at 31 March 2022	As at 31 March 2021
Cash on hand	5.30	4.84
Balances with banks	28.55	500.49
Total	**33.85**	**505.33**
Bank balances other than cash and cash equivalents		
Deposits with		
- Original maturity for less than twelve months*	2,493.31	2,743.45
- Original maturity for more than twelve months*	762.93	392.22
	3,256.24	**3,135.67**
Less: amount disclosed under other financial assets [Note 5(c)]	(3,256.24)	(3,135.67)
Total	-	-

* Deposits given as margin money against non fund based facilities (Letter of credit, Buyer's credit, Bank Guarantee) and collateral security

As at March 31, 2022, the Group has available INR 1,336.13 Lacs (March 31, 2021: INR 6,072.49 Lacs) of undrawn borrowing facilities from various banks.

S. R. BATLIBOI & CO. LLP

(Amount in INR Lacs)

5(C) Other financial assets

Particulars	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Unsecured considered good unless otherwise stated				
Financial assets classified at amortised cost:				
Term deposits with original maturity beyond 12 months *	762.93	392.22	-	-
Term deposits with original maturity less than 12 months*	-	-	2,493.31	2,743.45
Interest receivable	0.00	-	1.01	9.81
Security deposits	164.35	142.81	10.92	8.35
Financial assets classified at fair value through profit or loss:				
Foreign exchange forward contracts (refer note (a) below)	-	-	57.72	104.40
Total	**927.28**	**535.03**	**2,562.96**	**2,866.01**

* Deposits given as margin money against non fund based facilities (Letter of credit, Buyer's credit, Bank Guarantee) and collateral security

Note:

(a) While the Group entered into other foreign exchange forward contracts with the intention of reducing the foreign exchange risk of expected sales and purchases, these other contracts are not designated in hedge relationships and are measured at fair value through profit or loss.

Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

Particulars	Cash and cash equivalents (a)	Non current Borrowing* (b)	Current Borrowing (c)	Total (d=b+c-a)
Net debt as at 1 April 2020	**387.09**	**10,131.94**	**21,189.39**	**30,934.24**
Cash flows	118.24	(1,619.09)	(3,905.14)	(5,642.47)
Foreign exchange adjustments	-	-	438.78	438.78
Interest expenses	-	1,338.92	1,287.64	2,626.56
Interest paid	-	(1,338.92)	(1,845.17)	(3,184.09)
Other non-cash movement				
Transaction cost adjustment	-	2.66	35.60	38.26
Net debt as at 31 March 2021	**505.33**	**8,515.51**	**17,201.10**	**25,211.28**

Particulars	Cash and cash equivalents (a)	Non current Borrowing* (b)	Current Borrowing (c)	Total (d=b+c-a)
Net debt as at 1 April 2021	**505.33**	**8,515.51**	**17,201.10**	**25,211.28**
Cash flows	(471.48)	(687.29)	3,688.15	3,472.34
Foreign exchange adjustments	-	-	(10.24)	(10.24)
Interest expenses including borrowing charges	-	591.60	1,851.40	2,443.00
Interest paid	-	(591.60)	(2,278.82)	(2,870.42)
Other non-cash movement				
Transaction cost adjustment	-	(106.18)	362.31	256.13
Net debt as at 31 March 2022	**33.85**	**7,722.04**	**20,813.90**	**28,502.09**

* Includes current maturity of Non -Current borrowings

6 Other assets

Particulars	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Unsecured considered good unless otherwise stated				
Capital advances	428.68	191.76	0.79	3.26
Prepaid expenses	113.54	58.16	395.37	421.56
Income tax recoverable (net of provision for tax)	-	-	91.25	44.44
Advance to suppliers	-	-	346.83	480.90
Export entitlement receivable	-	-	383.51	595.49
Advance to employees	-	-	14.52	11.71
Balance with government authorities	-	-	3,589.01	2,229.68
Total (A)	**542.22**	**249.92**	**4,821.28**	**3,787.04**
Unsecured considered Doubtful				
Advance to suppliers	-	-	-	65.39
Less : Provision for doubtful advance	-	-	-	(65.39)
Total (B)	-	-	-	-
Total other assets (A+B)	**542.22**	**249.92**	**4,821.28**	**3,787.04**

7 Inventories

(Valued at lower of cost and net realizable value)

Particulars	Current	
	As at 31 March 2022	As at 31 March 2021
Raw materials	13,795.33	11,776.76
Raw material in transit	678.96	265.34
Finished goods	1,999.39	882.86
Stock in trade	52.72	24.86
Work in progress	5,015.98	3,739.38
Stores and spares	2,279.45	1,408.55
Packing materials	381.40	328.29
Total inventories	**24,203.23**	**18,426.04**

S.R. BATLIBOI & CO. LLP
GURUGRAM

DEE Development Engineers Limited
Notes to the consolidated financial statements for the year ended 31 March 2022

8 Equity share capital (Amount in INR Lacs)

(A) Authorised share capital:

Particulars	Equity shares		Compulsorily convertible preference shares	
	No. in lacs	INR In Lacs	No. in lacs	INR In Lacs
As at 31 March 2020	187.50	1,875.00	62.50	625.00
Increase/ (decrease) during the year	-	-	-	-
As at 31 March 2021	187.50	1,875.00	62.50	625.00
Increase/ (decrease) during the year	-	-	-	-
As at 31 March 2022	187.50	1,875.00	62.50	625.00

(B) Terms/ rights attached to Equity shares:

The Group has only one class of equity shares having par value of INR 10 per share. Each Shareholder is entitled to one vote per share. The dividend except interim dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Group, the equity shareholders will be entitled to receive the remaining assets of the Group after distribution of all preferential amounts, in proportion to their shareholding.

(C) Issued and paid up equity share capital

Particulars	No. in lacs	INR In Lacs
Equity shares of INR 10 each issued, subscribed and fully paid:		
As at 31 March 2020	156.93	1,569.27
Increase/ (decrease) during the year	-	-
As at 31 March 2021	156.93	1,569.27
Increase/ (decrease) during the year (refer note 9)	(50.85)	(508.49)
As at 31 March 2022	106.08	1,060.78

(D) Details of shareholders holding more than 5% shares in the Group:

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. in lacs	% of holding	No. in lacs	% of holding
Mr. K. L. Bansal	79.28	74.74%	79.28	50.52%
First Carlyle Ventures III	-	-	50.81	32.38%
DDE Piping Component Pvt. Ltd.	15.07	14.20%	14.94	9.52%
Mrs. Ashima Bansal	8.80	8.30%	8.80	5.61%

As per records of the Group, 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.

(E) There are no equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date.

(F) Promoter shareholding :

Details of shares held by promoters
As at 31 March 2022

S. No.	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of INR 10 each fully paid	Mr. Krishan Lalit Bansal	79,27,837	-	79,27,837	74.74%	-
	DDE Piping Component P Ltd.	14,93,811	12,744	15,06,555	14.20%	0.85%
	Mrs. Ashima Bansal	8,79,990	-	8,79,990	8.30%	-
	Mr. Atul Krishan Bansal	2,93,326	-	2,93,326	2.77%	-
	Mrs. Shikha Bansal	100	-	100	0.0009%	-
	Mrs. Charu Agarwal	10	-	10	0.0001%	-
	Mrs. Shruti Aggarwal	10	-	10	0.0001%	-
Total		1,05,95,084	12,744	1,06,07,828	100.00%	

As at 31 March 2021

S. No.	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of INR 10 each fully paid	Mr. Krishan Lalit Bansal	79,27,837	-	79,27,837	50.52%	-
	DDE Piping Component P Ltd.	14,93,811	-	14,93,811	9.52%	-
	Mrs. Ashima Bansal	8,79,990	-	8,79,990	5.61%	-
	Mr. Atul Krishan Bansal	2,93,326	-	2,93,326	1.87%	-
	Mrs. Shikha Bansal	100	-	100	0.0006%	-
	Mrs. Charu Agarwal	10	-	10	0.0001%	-
	Mrs. Shruti Aggarwal	10	-	10	0.0001%	-
Total		1,05,95,084	-	1,05,95,084	67.52%	

S.R. BATLIBOI & CO. LLP GURUGRAM

(Amount in INR Lacs)

9 Other equity

	Particulars	As at 31 March 2022	As at 31 March 2021
(A)	**Securities premium**		
	Opening balance	16,730.93	16,730.93
	Increase/(decrease) during the year	-	-
	Closing balance	**16,730.93**	**16,730.93**
(B)	**General reserve**		
	Opening balance	4,585.71	4,585.71
	Increase/(decrease) during the year	(508.49)	-
	Closing balance	**4,077.22**	**4,585.71**
(C)	**Capital Redemption Reserve**		
	Opening balance	-	-
	Increase/ (decrease) during the year	508.49	-
	Closing balance	**508.49**	-
(D)	**Retained earnings**		
	Opening balance	21,963.99	20,517.78
	Add: Profit for the year	819.68	1,420.53
	Other comprehensive income/ (loss) for the year*	9.86	25.68
	Less : Buy Back of Shares#	(4,525.55)	-
	Closing balance	**18,267.98**	**21,963.99**
(E)	**Foreign currency translation reserve**		
	Opening balance	581.89	385.60
	Add : Changes during the year	(29.14)	196.29
	Closing balance	**552.75**	**581.89**
	Total reserves	**40,137.37**	**43,862.52**

* The disaggregation of changes in OCI by each type of reserves in equity is disclosed in note 25.

Nature and purpose of reserves :

Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

General reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

Capital redemption reserve

The same has been created in accordance with provision of the Companies Act, 2013 with respect to buy back of equity shares from the market during the year.

Foreign currency translation reserve

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

Retained earnings

Represents surplus in the statement of profits and loss.

#Buyback of Equity shares

During the year, the Company has concluded the buyback of 5,084,891 equity shares of face value of Rs 10/- each at a price of Rs. 99 per equity share ("Buyback") for an aggregate amount of Rs 5,034.04 lacs, as approved earlier by the Board of Directors on May 07, 2021 and approval of shareholders through special resolution passed in extra ordinary general Meeting dated May 08, 2021. Buyback was done at record date of May 08, 2021 and the equity shares bought back were extinguished on May 17, 2021. Total outflow of Rs. 5,034.04 lacs has been utilised from the share capital, general reserves and retained earnings, in line with the requirement under the Companies Act 2013.

Additionally, Capital Redemption Reserve of Rs. 508.49 lacs (equivalent to nominal value of the equity shares bought back) has been created out of retained earnings, in line with the requirement under the Companies Act 2013. Consequent to extinguishment of shares so bought back, the paid-up equity share capital has been reduced by Rs. 508.49 lacs.

10 Borrowings

(A) Long term borrowings

Particulars	Non-current portion		Current maturities	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Secured				
Term Loan				
a. From Banks [refer note (a - e) below]	4,483.17	4,939.02	2,693.28	2,736.53
b. Vehicle Loan from Banks [refer note (f) below]	198.98	192.10	80.83	92.72
Unsecured				
a. Others [refer note (g) below]	-	-	265.77	555.14
	4,682.15	5,131.12	3,039.88	3,384.39
Less: current maturities of long term debts disclosed under 'short term borrowings' (refer note 10(B))	-	-	(3,039.88)	(3,384.39)
Total	**4,682.15**	**5,131.12**	-	-

(Amount in INR Lacs)

Repayment Schedule of long term borrowing - non-current:

	Particulars	As at 31 March 2022 INR	As at 31 March 2022 Repayment Instalments	As at 31 March 2021 INR	As at 31 March 2021 Repayment Instalments
(i)	1 YR MCLR of 7.25% + BSS of 0.20% +CRP of 1.20% presently effectively 8.65%- 8.95% p.a. (31 March 2021 : 1 YR MCLR of 7.35% + BSS of 0.20% +CRP of 1.40% presently effectively 8.80%- 8.95% p.a.) (refer note a)	225.00	5 equal quarterly instalments	426.45	1-9 equal quarterly instalments
(ii)	1 Year MCLR +1%, presently 8.25% effectively with monthly rest (March 31 2021: 7.35% effectively with monthly rest) (refer note b)	1,334.79	43 equal monthly instalments	361.40	6 equal monthly instalments
(iii)	Presently 7.50% to 10.35% p.a. (31 March 2021:11.00%) (refer note c)	165.79	14-27 equal monthly instalments	273.39	24-39 equal monthly instalments
(iv)	Presently 3M LIBOR plus 3.30% p.a., (31 March 2021: 3M LIBOR plus 3.30% p.a.) (refer note d)	1,086.45	4 equal quarterly instalments	2,165.91	8 equal quarterly instalments
(v)	Presently 8% to 8.60% (31 March 2021 : 10% to 10.10%) (refer note e)	1,671.14	18 equal quarterly instalments and 42 Monthly installments	1,711.87	13 equal quarterly instalments
(vi)	Presently 8.35% to 10.15%, (31 March 2021: 8.35% to 10.15%.) (Refer Note d)	88.76	4-48 equal monthly instalments	21.52	1-20 equal monthly instalments
(vii)	Presently 4.18% to 6.52% p.a. - (31 March 2021: 4.18% to 6.52% p.a.) (refer note f)	107.51	5- 28 equal monthly instalments	164.73	9-37 equal monthly instalments
(viii)	Presently 9.25% p.a. (31 March 2021: 9.25% p.a.) (refer note f)	2.71	9 equal monthly instalments	5.85	21 equal monthly instalments
		4,682.15		5,131.12	

Notes:

a) Term Loan outstanding for Rs 225.00 lacs (March 31, 2021; Rs 426.45 lacs) from bank Secured by first charge on both movable and immovable fixed assets (except few specific fixed assets) of Piping Division of the Holding Company, personal guarantee of promoters and corporate guarantee of DDE Piping Components Pvt. Ltd.

b) First pari passu charge on all the current assets of Piping unit and Power unit, both present and future along with book-debts, bills, outstanding monies and receivables,all the fixed assets of power unit, Immovable property of 1770 Sq. Yard situated at Jatola Road, Tatarpur Industrial area, Maidapur of Piping unit, all the fixed assets situated at Chennai, Fixed deposit of Rs. 350 lacs and exclusive charge on fixed deposit of Rs. 15 lacs in favour of Bank of India

Further, there is Second pari passu charge on all the movable fixed assets, both present and future, of piping unit (excluding assets given against first pari passu charge) and Residential house of Promoter situated at 1255, sector 14, Faridabad,

Guaranteed Emergency Credit Loan (GECL) is secured by second charge of all the primary/collateral security available for existing facility.

c) Secured by first pari passu charge on the movable fixed Assets & immovable properties and second charge on the current assets of the wholly owned subsidiary namely Malwa Power Private Limited

d) Secured by first charge on both movable and immovable fixed assets of wholly owned subsidiary, namely Dee Piping Systems (Thailand) Co., Ltd. (other than few specific fixed assets), personal guarantee of promoters and corporate guarantee of the Holding Company - Dee Development Engineers Limited

e) 'Term loan from bank secured by Immovable property or any interest therein; Book debts; Floating charge; Movable property (not being pledge) of the company, personal guarantee of promoters and corporate guarantee of DEE Development Engineers Limited.

f) Vehicle loan outstanding for Rs. 279.81 lacs (March 31, 2021 284.82 lacs) from bank secured by the vehicle of the Group financed under the scheme.

g) Further, term loans are secured by Irrevocable and unconditional, joint and several personal guarantee of the promoters.

(B) Short-term borrowings

Particulars	As at 31 March 2022	As at 31 March 2021
Secured		
a) 'Cash credits and WCDL (refer note a,b,c below)		
(i) Cash credit	6,508.54	2,961.25
(ii) Export packing credit	699.36	-
(iii) Working capital demand loan	11,775.11	13,217.58
b) Current maturities of long-term debts [refer note 10(A)]	3,039.88	3,384.39
Unsecured		
Buyer's credit and Bill discounting from banks	1,830.87	1,022.28
Total	23,853.76	20,585.50

Notes:

a First pari passu charge on all the current assets of Piping unit and Power unit of holding company, both present and future along with book-debts, bills, outstanding monies and receivables,all the fixed assets of power unit, Immovable property of 1770 Sq. Yard situated at Jatola Road, Tatarpur Industrial area, Maidapur of Piping unit, all the fixed assets situated at Chennai, Fixed deposit of Rs. 350 lacs and exclusive charge on fixed deposit of Rs. 15 lacs in favour of Bank of India

Further, there is Second pari passu charge on all the movable fixed assets, both present and future, of piping unit (excluding assets given against firts pari passu charge) and Residential house of Promoter situated at 1255, sector 14, Faridabad,

b SBLC from Indian bank (acceptable to Axis bank) in favor of Axis bank, to the extent of WC facility.

c Secured by hypothecation of current assets i.e. present & future stock of raw material, work in progress, finished goods, store & spares, book debts etc. of respective wholly owned subsidiary namely Malwa Power Private Limited, DEE Fabricom India Private Limited and DEE Piping System (Thailand) Co. Ltd. The Loan is further secured by corporate guarantee of the holding company and personal guarantee of Promoter - Directors.

S. R. BATLIBOI & CO. LLP
GURUGRAM

(Amount in INR Lacs)

Detail of Quaterly statement/ returns of current assets filed by the Company with banks and reconcilition with the books of accounts

Quarter ending	Name of the Bank	Particulars of Securities provided	Amount as per books	Amount as reported in the quarterly return/statement	Amount of difference	Reason for material discrepancies
June-2021	Bank of India	Inventory	17,009.00	16,895.00	114.00	Variance is on account of timing difference in reporting to the banks and routine book closure process of the Company
September-2021			18,910.00	19,083.00	(173.00)	
December-2021			18,924.00	18,787.00	137.00	
March-2022			21,081.00	20,952.00	129.00	
June-2021		Trade Recievable	15,509.00	16,465.00	(956.00)	
September-2021			11,965.00	11,889.00	76.00	
December-2021			11,239.00	11,146.00	93.00	
March-2022			12,767.00	12,767.00	-	

11 Other financial liabilities

Particulars	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Financial liabilities carried at amortised cost:				
Creditors for capital goods	-	-	216.52	147.53
Interest accrued and not due on borrowings	-	-	45.15	64.55
Others	-	-	150.83	79.00
Total other financial liabilities	-	-	412.50	291.08

11A Lease Liabilities

Particulars	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Lease Liabilities (refer note 39)	404.17	406.38	99.00	94.31
Total other financial liabilities	404.17	406.38	99.00	94.31

12 Provisions

Particulars	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Provisions for gratuity	8.24	100.58	101.33	60.36
Provision for compensated absences	5.42	4.12	92.88	79.41
Total provisions	13.66	104.70	194.21	139.77

a) **Provision for Litigation**

It represent a charge against the wrong availment of input credit by the holding company

	As at 31 March 2022	As at 31 March 2021
At the beginning of the year	-	15.55
Created during the year	-	-
Paid/adjusted during the year	-	15.55
At the end of the year	-	-

13 Liabilities for current tax (net)

Particulars	Current	
	As at 31 March 2022	As at 31 March 2021
Provision for current tax (net of advance tax and TDS receivable)	40.70	13.79
	40.70	13.79

14 Other liabilities

Particulars	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Statutory dues	-	-	212.29	310.06
Deferred revenue:				
on advance licenses	95.92	93.15	-	-
Advance received from customers (refer note 17)	-	-	940.58	1,113.73
	95.92	93.15	1,152.87	1,423.79

S. R. BATLIBOI & CO. LLP * GURUGRAM *

15 Income tax **(Amount in INR Lacs)**

(A) The major components of income tax expense for the period ended 31 March 2022 and year ended 31 March 2021 are:

Statement of profit and loss:

Particulars	**As at 31 March 2022**	**As at 31 March 2021**
Profit and loss section		
Current income tax:		
- Current income tax charge	677.53	730.87
- Adjustments in respect of current income tax of previous year	(29.84)	(12.71)
Deferred tax:		
- Relating to origination and reversal of temporary differences	(137.96)	(1,243.76)
Income tax expense reported in the statement of profit or loss	509.73	(525.60)
OCI section		
Deferred tax related to items recognised in OCI during in the year:		
- Net loss/(gain) on remeasurements of defined benefit plans (Refer note 25)	3.24	8.82
Income tax charged to OCI	3.24	8.82

(B) Reconciliation of tax expense and the accounting profit multiplied by holding Co's rate for 31 March 2022 and 31 March 2021:

Particulars	**As at 31 March 2022**	**As at 31 March 2021**
Accounting profit before tax	1,329.41	894.93
At India's statutory income tax rate of 25.168% (31 March 2021: 25.168%)	334.58	225.23
Adjustments:		
Tax relating to earlier years	(29.84)	(12.71)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Tax impact due to adoption of new tax rate as per Income-tax Act, 1961 (Refer note 43)	-	(758.47)
Tax impact of expenses not deductible under Income-tax Act, 1961	20.62	48.63
- Others	(109.47)	(503.97)
Impact on account of utilisation of carry forward/current year losses	363.11	538.54
Impact on account of difference in tax rate	(69.28)	(62.85)
Income tax expense	509.73	(525.60)
Income tax expense reported in the statement of profit and loss	509.73	(525.60)

(C) Deferred tax assets (net)

Deferred tax relates to following:

Particulars	**As at 31 March 2022**	**As at 31 March 2021**
Balance sheet		
Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	(144.21)	(568.65)
Expenditure allowed for tax purposes on payment basis	1.56	2.00
Carry Forward Loss and unabsorbed depreciation as per tax return	390.68	773.69
Net deferred tax (liabilities) / asset	248.03	207.04

Deferred tax liabilities (net)

Deferred tax relates to following:

Particulars	**As at 31 March 2022**	**As at 31 March 2021**
Balance sheet		
Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	(2,438.73)	(2,168.76)
Impact on Employee benefit	47.00	56.83
Impact on deferred market to market	(14.53)	(26.75)
Expenditure allowed for tax purposes on payment basis	331.43	15.24
Carry Forward Loss and unabsorbed depreciation as per tax return	45.10	-
Net deferred tax (liabilities) / asset	(2,029.73)	(2,123.44)

Statement of profit and loss	**As at 31 March 2022**	**As at 31 March 2021**
Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	(154.46)	2.60
Impact due to adoption of new tax rate as per Income-tax Act, 1961 (Refer note 43)	-	(758.47)
Impact of deferred advance on government grant	-	18.79
Impact on deferred market to market	(12.23)	86.76
Impact on Employee benefit	6.58	9.28
Expenditure allowed for tax purposes on payment basis	(315.76)	6.72
Unabsorbed depreciation as per tax return	337.91	(609.44)
Deferred tax expense / (income)	(137.96)	(1,243.76)
Other Comprehensive Income		
Impact on defined benefit plans	3.24	8.82
Deferred tax expense / (income)	3.24	8.82

Indian wholly owned subsidiaries has tax losses of INR 1560.60 lakhs (31 March 2021: INR 1032.07 lakhs) that are available for offsetting for eight years against future taxable profits of the companies in which the losses arose. Majority of these losses will expire during 2021-2022 to 2025-2026

Indian wholly owned subsidiary has paid Minimum Alternate Tax (MAT) of INR 330.53 lakhs (31 March 2021: of INR 190.95 lakhs) that are available for offsetting for Fifteen years against future taxable profits under Income Tax Act, 1961 of the companies. Majority of these MAT Credit will expire during 2032-33 to 2035-36.

S. R. BATLIBOI & CO. LLP
GURUGRAM

(Amount in INR Lacs)

16 Trade Payables

Particulars	As at 31 March 2022	Current As at 31 March 2021
Trade payables*	9,913.12	7,510.55
Trade payables to Micro, Small and Medium Enterprises#	449.86	238.24
Total trade payables	10,362.98	7,748.79

Trade Payable Ageing Schedule

Outstanding for following periods from the booking date

As at 31 March 2022	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
	INR lacs	INR lacs	INR lacs	INR lacs	INR lacs
Total outstanding dues of micro enterprises and small enterprises	449.86	-	-	-	449.86
Total outstanding dues of creditors other than micro enterprises and small enterprises	9,863.81	42.68	6.63	-	9,913.12
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
TOTAL	10,313.67	42.68	6.63	-	10,362.98

Trade Payable Ageing Schedule#

Outstanding for following periods from the booking date

As at 31 March 2021	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
	INR lacs	INR lacs	INR lacs	INR lacs	INR lacs
Total outstanding dues of micro enterprises and small enterprises	238.24	-	-	-	238.24
Total outstanding dues of creditors other than micro enterprises and small enterprises	7,441.83	68.72	-	-	7,510.55
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
TOTAL	7,680.07	68.72	-	-	7,748.79

Terms and conditions of the above financial liabilities:
- Trade payables are non-interest bearing and are normally settled on 0 to 75-day terms
- For terms and conditions relating to related party payables, refer to note 31
- For explanations on the Group's credit risk management processes, refer to note 36

* Includes following :		
Acceptances	1,090.79	453.66
For payable to related parties (refer note 31)	54.68	83.88

 # Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	449.86	238.24
Principal amount due to micro and small enterprises	449.86	238.24
Interest due on above	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

(Amount in INR Lacs)

17 Revenue from operations

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Sale of products:		
Sale of finished goods	28,063.64	34,856.31
Sale of traded goods	166.06	85.66
Sale of electricity	7,815.37	6,602.71
Sale of service:		
Job work	7,291.30	6,822.78
Erection and Design services	1,972.28	225.18
Other Operating Income:		
Sale of Scrap	735.67	576.87
Export Incentive	47.26	352.22
Total revenue from operations	**46,091.58**	**49,521.73**

Timing of revenue recognition

Revenue recognition at a point of time	**46,091.58**	**49,521.73**
Total revenue from contracts with customers	**46,091.58**	**49,521.73**

Contract Balances

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Trade receivables from contracts under Ind AS 115 (refer note 5A)	15,343.44	19,845.91
Contract Assets	-	-
Contract liabilities		
Advance from customers	940.58	1,113.73
	16,284.02	**20,959.64**

Contract liabilities include amount received from customers as per the terms of purchase/sales order to deliver goods. Once the goods are completed and control is transferred to customers the same is adjusted accordingly.

Significant changes in the contract assets and the contract liabilities balances during the year/period are as follows

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Movement of contract liability		
Amounts included in contract liabilities at the beginning of the year	1,113.73	4,134.46
Performance obligations satisfied during the year	(1,113.73)	(2,741.80)
Amount received/ adjusted against contract liability during the year	940.58	(278.93)
Amounts included in contract liabilities at the end of the year	**940.58**	**1,113.73**

Performance obligation

Information about the group performance obligations for material contracts are summarised below:

The performance obligation of the Group in case of sale of Products is satisfied once the goods are transported as per terms of order and control is transferred to the customers.

The customer makes the payment for contracted price as per terms stipulated under customers purchase order.

Information about the group performance obligations for electricity supply contract are summarised below:

The performance obligation of the group in case of sale of electricity is based on supply of electricity through installed meters. Revenue from sales of electricity is accounted for on the basis of billing to customers based on billing cycles followed by the Group.

The customer makes the payment for electricity supplied during the billing cycle at contracted price as per terms stipulated under agreement.

There is no remaining performance obligation as on year ending March 31, 2022

18 Other income

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Interest income		
- from Bank	134.81	199.95
- on Income tax refund	-	23.16
Gain on foreign exchange (net)	-	662.58
Rent income	111.17	12.00
Miscellaneous income	250.11	218.71
Amortization of deferred revenue:		
on export promotion capital goods scheme	-	53.58
on advance received from MNRE	-	5.70
on advance licenses	490.12	583.54
Insurance claim received	6.13	21.72
Total other income	**992.34**	**1,780.94**

S.R. BATLIBOI & CO. LLP
GURUGRAM

(Amount in INR Lacs)

19 Cost of raw material consumed

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Inventory at the beginning of the year	12,042.10	14,763.93
Add: Purchase during the year	21,921.92	17,125.31
	33,964.02	31,889.24
Less: Inventory at the end of the year	14,474.29	12,042.10
Cost of raw material consumed	**19,489.73**	**19,847.14**

20 Changes in inventories of finished goods, stock in trade and work in progress

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Opening stock		
- Work-in-progress	3,739.38	5,573.47
- Finished goods	882.86	2,763.19
- Stock in trade	24.86	10.90
Less: Closing stock		
- Work-in-progress	5,015.98	3,739.38
- Finished goods	1,999.39	882.86
- Stock in trade	52.72	24.86
Total change in inventories of finished goods, stock in trade and work in progress	**(2,420.99)**	**3,700.46**

21 Employee benefits expense

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Salaries, wages and bonus	7,443.86	6,934.41
Contribution to provident and other funds	212.31	206.21
Gratuity expense (refer note 30)	89.90	79.88
Staff welfare expenses	183.75	175.75
Total employee benefits expense	**7,929.82**	**7,396.25**

22 Depreciation and amortization expense

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Depreciation on tangible assets (refer note 3 Property, plant and equipment)	3,431.74	3,374.17
Amortisation of intangible assets (refer note 3 (a) intangible Assests)	65.61	102.76
Depreciation on right of use assets (refer note 39)	92.58	76.83
Total	**3,589.93**	**3,553.76**

23 Other expenses

	Year ended 31 March 2022	Year ended 31 March 2021
Consumption of stores and spare parts	3,088.21	2,441.60
Packing material consumed	1,458.27	1,193.04
Fabrication and job charges	3,620.01	3,067.68
Repair and maintenance:		
- Buildings	113.20	65.03
- Plant and machinery	555.88	621.11
- Other	82.27	64.76
Office & factory maintenance	85.60	80.05
Lease rentals including hire charges	350.50	161.33
Rates and taxes	124.11	100.28
Insurance	170.78	169.53
Power, fuel and water charges	1,165.65	941.75
Radiography & inspection	517.36	550.34
Auditor's remuneration (Refer note below)	37.71	39.74
Selling commission & other selling expenses	225.15	251.18
Freight & forwarding (net of recovery)	612.06	1,008.77
Claims and deductions	68.09	504.80
Legal and professional	669.68	468.87
Travelling and conveyance expense	305.49	209.72
Bank charges	275.84	265.64
Loss on foreign exchange (net)	35.09	-
Sundry balances written off	0.26	3.70
Impairment of Investments in Joint Venture	-	12.06
Loss on sale/ discard of fixed assets (net)	13.42	25.20
Donation	3.72	7.05
Security and servicing charges	274.78	252.73
CSR expenses (refer note below)	71.83	76.21
Directors' sitting fees	7.50	6.00
Miscellaneous	586.42	525.58
Total	**14,518.88**	**13,113.75**

S.R. BATLIBOI & CO. LLP * GURUGRAM *

DEE Development Engineers Limited
Notes to the consolidated financial statements for the year ended 31 March 2022

(Amount in INR Lacs)

23 (a) Payment to auditors :

Particulars	**Year ended 31 March 2022**	**Year ended 31 March 2021**
As auditor:		
- Statutory Audit fee	34.75	29.09
In other capacity:		
- Other services (certification fees)	1.00	10.00
- Reimbursement of expenses	1.96	0.65
Total	**37.71**	**39.74**

23 (b) Details of CSR expenditure:

Particulars	**Year ended 31 March 2022**	**Year ended 31 March 2021**
(a) Gross amount required to be spent by the Group during the year	71.63	76.21
(b) Amount spent during the year		
(i) Construction/ acquisition of any asset	-	-
(ii) On purpose other than (i) above	71.83	76.21
(c) Bifurcation of above amount		
(i) Amount spent in cash #	71.83	33.70
(ii) Amount yet to be paid in cash*	-	42.51

#The amount includes Rs 64.03 lacs (PY: Rs 5.50 lacs) given to Atul Kishan Bansal foundation (AKB Foundation) in relation to CSR expenditure. Out of total contribution of Rs 106.53 lacs to AKB Foundation Rs 65.28 lacs remains unspent as on March 31, 2022 and will be utilised for carrying out CSR activities in subsequent years .

*In Previous year, unspent amount has been subsequently deposited with Atul krishan Bansal Foundation, a wholly owned subsidiary, to carry out CSR activities.

24 Finance costs

Particulars	**Year ended 31 March 2022**	**Year ended 31 March 2021**
Interest Expense	-	
- on term loans	439.30	1,068.15
- to others	1,851.40	1,287.64
Interest on lease liability (refer note 39)	48.69	40.09
Other borrowing cost	152.30	270.78
Exchange difference regarded as an adjustment to borrowing cost	41.93	46.09
Total	**2,533.62**	**2,712.75**

25 Components of other comprehensive income (OCI)

Particulars	**Year ended 31 March 2022**	**Year ended 31 March 2021**
Retained Earnings		
Exchange differences on translation of foreign operations	(29.14)	196.29
Re-measurement gains/ (loss) on defined benefit plans	13.10	34.50
Less: Tax impact of above items	(3.24)	(8.82)
	(19.28)	**221.97**

26 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	**Year ended 31 March 2022**	**Year ended 31 March 2021**
Profit attributable to equity holders of the parent company for basic and diluted earnings (A)	800.40	1,642.50
Weighted average number of Equity shares for basic and diluted EPS* (B)	1,12,48,664	1,56,92,719
Earnings per share (A/B)		
- Basic earnings per share	7.12	10.47
- Diluted earnings per share	7.12	10.47

* There have been no transaction involving Equity shares or potential Equity shares during the year .

S. R. BATLIBOI & CO. LLP * GURUGRAM *

27 Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the grouping disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Classification of leases –

The Group enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

Determining the lease term of contracts with renewal and termination options (Group as lessee)-

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

- Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

- Taxes

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

- Defined benefit plans (gratuity)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds with term that correspond with the expected term of the defined benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Further details about gratuity and long term compensated absences obligations are given in Note 30.

- Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 34 for further disclosures.

- Useful Life of Property Plant and Equipment

The Group, based on technical assessment made by technical expert and management estimate, depreciates plant and machineries of Group over estimated useful lives of 10 to 40 years which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

S. R. BATLIBOI & CO. LLP
GURUGRAM

28 Interest in subsidiaries

The financial statements of the Group include group information, wherever required, pertaining to the holding company DEE Development Engineers Limited:

Subsidiary companies

Name of the Subsidiary / Principal Activity	Method used to account for investments	Place of Incorporation and Place of Operation	Proportion of Ownership Interest and Voting power held by the company	
			31-Mar-22	31-Mar-21
Malwa Power Private Limited Power generation	At cost	India	100.00%	100.00%
Dee Fabricom India Pvt. Ltd. Heavy Fabrication Unit	At cost	India	100.00%	100.00%
Dee Piping Systems (Thailand) Co. Ltd. Pre-fabrication of piping and piping packages	At cost	Thailand	100.00%	100.00%

29 Interest in jointly controlled entity

The Group has a 49% interest in DEE Fabricom LLC, a jointly controlled entity involved in the manufacture of some of the Group's main product lines in pre-fabrication of piping in UAE. The Group's interest in DEE Fabricom LLC is accounted for using the equity method in the consolidated financial statements. Summarised financial information of the jointly controlled entity, based on its Ind AS financial statements, and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

The financials of jointly control entity is considered for the year ended December 31st, 2021. The same has been considered internally of the jointly control entity to group financials

Summarised balance sheet as at 31 December 2021:

Particulars	As at 31 December 2021	As at 31 December 2020
Current assets, including cash and cash equivalents INR lacs (31 December 2021: NIL) and prepayments INR Nil (31 December 2020: NIL)	-	10.51
Non-current assets	-	6.33
Current liabilities, including tax payable INR Nil (31 December 2020: INR Nil)	-	(53.37)
Non-current liabilities	-	-
Equity	-	**(36.53)**
Proportion of the Group's ownership	49%	49%
Carrying amount of the investment	-	**(17.90)**

Summarised statement of profit and loss:

Particulars	Year ended 31 December 2021	Year ended 31 December 2020
Revenue	39.18	101.93
Purchase of Stock in Trade	-	-
Depreciation & amortization	(1.14)	(2.94)
Employee benefit	-	(27.16)
Other expense	(1.93)	(38.68)
Profit before tax	**36.11**	**33.15**
Income tax expense	-	-
Profit for the year	**36.11**	**33.15**
Total comprehensive income for the year	**36.11**	**33.15**
Foreign currency translation reserve	-	**(1.57)**
Group's share of (Loss) / profit for the year*#	**17.70**	**15.47**

*As per IND AS 28, if any entity's share of losses of a jointly controlled entity equals or exceeds its interest in the associate or jointly controlled entity (which includes any long term interest that, in substance form part of the Group's net investment in the jointly controlled entity), the entity discontinues recognising its share of further losses. Accordingly, loss upto amount of investment amounting to Rs. 85.48 lakhs has been recognised in consolidated financial statement till March 31, 2019. In current year, the group has earned share of profit of Rs 17.70 lakhs (December 31, 2020: Rs 15.47 lakhs), however in absence of reasonable certainty of its recovery, the same has not been provided in the consolidated financial statement.

#In current year, company in its Board of Director's meeting held on September 20, 2021 passed a resolution approving winding up of its joint controlled entity Dee Fabricom LLC, Dubai and accordingly, initiated the completion of closure formalities.
Accordingly, company has completed the completion formalities and trade licence has been deregistered as per UAE laws on March 29, 2021. Further, subsequent to deregistration of trade licence, VAT number has also been De-registered and closure certificate is issued by the Federal Tax Authority dated 13th January, 2022.
Thus, the jointly controlled entity stands closed and the same has been reported by the company with RBI. The financials and results of same has been consolidated till December 31, 2021.

S. R. BATLIBOI & CO. LLP * GURUGRAM *

(Amount in INR Lacs)

30 Gratuity and other post-employment benefit plans

A. Defined benefit plans - general description

The Group has a defined gratuity benefit plan. Every employee who completes service of five years or more, gets a gratuity, of 15 days salary (last drawn salary) for each completed year of service.
The following tables summaries the components of net benefit expense recognised in the Consolidated Statement of Profit and Loss and the funded status and amounts recognised in the balance sheet for the plan (based on Actuarial Valuation) :

Amount recognised in Consolidated Statement of Profit and Loss

Net employee benefit expense recognized in the employee cost:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Service cost	78.95	71.54
Net interest cost	10.95	8.34
Expenses recognised in the statement of profit and loss	89.90	79.88

Amount recognised in other comprehensive income

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Net actuarial loss/(gain) recognised in the year	(13.10)	(34.50)
Expenses recognised in the other comprehensive income	(13.10)	(34.50)

Balance sheet

Benefit asset/ (liability)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Present value of defined obligation at the end of the year	704.30	622.51
Less : Fair value of the plan assets at the end of the year	594.73	461.56
Net present value of defined benefit obligation	(109.57)	(160.95)

Changes in the present value of the defined benefit obligation are as follows:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Opening defined benefit obligation	622.51	562.62
Service cost	78.95	71.54
Interest cost	42.32	38.26
Benefits paid	(25.53)	(14.06)
Actuarial (gain)/ loss on obligation	(13.95)	(35.85)
Closing defined benefit obligation	704.30	622.51

Changes in the fair value of plan assets are as follows:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Opening fair value of plan assets	461.56	440.01
Expected Return on plan Assets	33.80	31.62
Actuarial gain/(loss)	-	-
Fund Manager Charges	(0.56)	(0.57)
Mortality charges	(1.83)	(2.09)
Contribution by the employer	127.29	6.65
Benefits paid	(25.53)	(14.06)
Closing fair value of plan assets	594.73	461.56

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
The scheme is funded through a trust and funds are managed by Life Insurance Corporation of India	100%	100%

S. R. BATLIBOI & CO. LLP GURUGRAM

(Amount in INR Lacs)

B. The principal actuarial assumptions used in determining gratuity are as follows:

(a) Economic assumptions

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Discount rate	7.18%	6.80%
Average Salary escalation rate	5% - 6%	5% - 6%
Average remaining working life of the employees(years)		
Attrition at Ages	Withdrawal rate %	Withdrawal rate %
Up to 30 Years	3.00	3.00
From 31 to 44 years	2.00	2.00
Above 44 years	1.00	1.00

The estimates 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. The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

C. Demographic assumptions

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Retirement age	58 years	58 years
Mortality table	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)

D. A quantitative sensitivity analysis for significant assumption as at 31 March is as shown below:

Assumptions	Sensitivity Level	Impact on defined benefit obligation
Discount rate:		
31 March 2022	Increase of 0.50%	(37.91)
	Decrease of 0.50%	41.48
31 March 2021	Increase of 0.50%	(35.81)
	Decrease of 0.50%	39.33
Future salary increases:		
31 March 2022	Increase of 0.50%	41.76
	Decrease of 0.50%	(38.49)
31 March 2021	Increase of 0.50%	39.45
	Decrease of 0.50%	(36.23)

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these not disclosed.

E. The following payments are expected contributions to the defined benefit plan in future years:

Particulars	31 March 2022	31 March 2021
Within the next 12 months (next annual reporting period)	68.10	60.36
Between 2 and 5 years	114.51	94.86
Beyond 5 years	521.69	467.29
Total expected payments	**704.30**	**622.51**

The average duration of the defined benefit plan obligation at the end of the reporting period is 17.63 years (31 March 2021: 17.83 years)

S. R. BATLIBOI & CO. LLP * GURUGRAM *

(Amount in INR Lacs)

31 Related party transactions

(A) Names of related parties and related party relationship

Nature of relationship	Name of related parties
(i) Jointly controlled entity	Dee Fabricom LLC
(ii) Key management personnel:	Mr. K.L. Bansal (Chairman and Managing Director) Mrs. Ashima Bansal (Whole Time Director) Mrs. Shikha Bansal (Whole Time Director) Mrs. Shruti Agarwal (Director Indian WOS) Mr.Teerayut Golaka (Director in Dee Piping Systems (Thailand) Co. Ltd.) Mr. Krisanakorn Triwattanathongchai (Director in Dee Piping Systems (Thailand) Co. Ltd.) Mr. Balwan Singh Jangra (CEO in Indian WOS) Mr. Gaurav Narang (Chief Financial Officer) Mr. Ranjan Sarangi (Company secretary) Mr. Deepak Behl (Company secretary in Indian WOS)
(iii) Relative of Key Management Personnel	Mrs. Kamlesh Jangra (Wife of Shri Balwan Singh Jangra)
(iv) Independent Director of holding Co.	Mr. Ajay Kumar Marchanda Mr. Satish Kumar

(B) The following table provides total amount of transactions that have been entered into with related parties for the relevant financial year:

Name of related party		Year ended 31 March 2022	Year ended 31 March 2021
(i) With Key management personnel and their relatives:			
Mr. K. L. Bansal	Rent Payment	1.44	1.44
Mr. K. L. Bansal	Remuneration	340.20	316.87
Mr. Atul Krishan Bansal	Remuneration	-	69.84
Mrs. Ashima Bansal	Remuneration	81.00	81.00
Mrs. Shikha Bansal	Remuneration	140.68	100.52
Mrs. Shruti Aggarwal	Remuneration	42.00	18.63
Mr.Teerayut Golaka	Remuneration	85.21	22.33
Mr. Krisanakorn Triwattanathongchai	Remuneration	75.13	18.48
Mr. Balwan singh Jangra	Remuneration	40.72	42.08
Mrs. Kamlesh Jangra	Remuneration	17.35	14.43
Mr. Gaurav Narang	Remuneration	64.00	50.59
Mr. Ranjan Sarangi	Remuneration	13.99	13.36
Mr. Ajay Kumar Marchanda	Sitting fees	3.25	3.25
Mr. Satish Kumar	Sitting fees	3.75	2.75
Loan Received from Mr. K. L. Bansal	Loan received	360.00	250.00
Loan Received from Mrs. Ashima Bansal	Loan received	-	10.00
Loan Paid back to Mr. K. L. Bansal	Loan paid	360.00	260.00
Loan Paid back to Mrs. Ashima Bansal	Loan paid	-	45.00

(C) Following are the balances outstanding as at year end:

Name of related party	As at 31 March 2022	As at 31 March 2021
(i) With Key management personnel and their relatives:		
Account payable:		
Mr. K.L. Bansal	30.21	65.05
Mrs. Ashima Bansal	4.39	5.63
Mrs. Shikha Bansal	7.85	2.64
Mrs. Shruti Aggarwal	4.09	1.39
Mr. Balwan singh Jangra	2.76	2.20
Mrs. Kamlesh Jangra	0.89	1.10
Mr. Gaurav Narang	3.74	4.81
Mr. Ranjan Sarangi	0.75	1.05

Apart from above, Mr. K.L. Bansal, and Mrs. Ashima Bansal have given personal guarantees as a collateral for securing borrowings from the banks.

In the opinion of the Board of directors, the current assets, investments, loan and advances have the value at which they are stated in the balances sheet, if realised in the ordinary course of business and provisions for all known liabilities have been adequately made in the accounts.

(D) Compensation of key management personnel of the Group

Name of related party	Year ended 31 March 2022	Year ended 31 March 2021
Short-term employee benefits	841.77	708.15
Post-employment gratuity and medical benefits	8.79	0.85
Total compensation paid to key management personnel	**850.56**	**709.00**

The amounts disclosed in the table are the amounts recognised as an expense during the reporting period related to key management personnel.

(E) Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free. For the year ended 31 March 2022, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2021: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

S. R. BATLIBOI & CO. LLP
GURUGRAM

(Amount in INR Lacs)

32 Commitments and Contingencies

A. Commitments

Capital Commitments

Particulars	As at 31 March 2022	As at 31 March 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances paid INR 429.46 lacs) (31 March 2021: INR 191.76 lacs)	492.47	73.10

B. Contingent liabilities

Contingent Liabilities not provided for in respect of:

Particulars	As at 31 March 2022	As at 31 March 2021
a) Claims against the company not acknowledged as debt		
- Demand by Income Tax Department *	187.61	165.76
- Demand by Excise Authorities **	39.35	39.35
- Claim filed by a supplier **	-	12.31
b) Custom duty liability which may arise if obligations for exports are not fulfilled***	999.63	-

*The Income Tax Authorities have raised demands on account of various disallowances pertaining to different assessment years. The group is contesting these demands, which are pending at various appellate levels. Based on the advice from independent tax experts and the development on the appeals, the management is confident that additional tax so demanded with reference to these cases will not be sustained on completion of the appellate proceedings and accordingly, pending the decision by the appellate authorities, no provision has been made in these standalone financial statements.

**On the basis of current status of individual case for respective years and as per legal advice obtained by the group, the group is confident of winning the above cases and is of the view that no provision is required in respect of the above cases.

***The Company is of the view that it will be able to fulfil its underlying obligations. Accordingly, no adjustment is required in the financial statements.

C. Guarantees

The Holding Company has given corporate guarantee for loans taken by subsidiary companies, to the extent loan amount outstanding as on balance sheet date. The carrying amounts of the related financial guarantee contracts were INR 5,168.49 lacs and 6,570.35 lacs at 31 March 2022 and 31 March 2021 respectively.

This page is intentionally left blank

S. R. BATLIBOI & CO. LLP
GURUGRAM

(Amount in INR Lacs)

33 Segment information

On the basis of nature of businesses, the Group has three reportable segments, as follows:

- The piping segment which is mainly engaged in manufacturing of pre-fabricated engineering products, pipe fittings, piping systems.
- The power segment, which is engaged in biomass based power generation
- The Heavy fabrication segment, which is engaged in Wind mill tower Manufacturing

No operating segments have been aggregated to form the above reportable operating segments.

The Executive Management Committee monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

A. Segment Disclosures

Year ended 31 March 2022

Particulars	Piping division	Power division	Heavy Fabrication	Unallocated	Total
Revenue					
External	36,267.04	7,857.94	1,966.60	-	46,091.58
Interunit	-	-	-	-	-
Segment Revenue	**36,267.04**	**7,857.94**	**1,966.60**	-	**46,091.58**
Segment profit	**5,518.74**	**2,272.44**	**313.67**	**(651.89)**	**7,452.96**
Expenses					
Finance Costs	2,090.34	156.22	287.06	-	2,533.62
Depreciation and amortization expense	2,900.26	264.33	425.34	-	3,589.93
Segment Expenses	**4,990.60**	**420.55**	**712.40**	-	**6,123.55**
Net Segment profit before tax	**528.14**	**1,851.89**	**(398.73)**	**(651.89)**	**1,329.41**
Other Information					
Segment Assets	**72,990.91**	**8,137.89**	**3,318.76**	**92.24**	**84,539.80**
Segment Liabilities	**35,626.31**	**4,386.28**	**3,201.46**	**127.60**	**43,341.65**
Capital Expenditure	**2,063.95**	**91.07**	**156.14**	-	**2,311.16**

Year ended 31 March 2021

Particulars	Piping division	Power division	Heavy Fabrication	Unallocated	Total
Revenue					
External	41,511.68	6,670.55	1,339.50	-	49,521.73
Segment Revenue	**41,511.68**	**6,670.55**	**1,339.50**	-	**49,521.73**
Segment profit	**5,991.27**	**1,225.80**	**489.73**	**(545.36)**	**7,161.44**
Expenses					
Finance Costs	2,176.05	208.11	328.59	-	2,712.75
Depreciation and amortization expense	2,864.49	273.26	416.01	-	3,553.76
Segment Expenses	**5,040.54**	**481.37**	**744.60**	-	**6,266.51**
Net Segment profit before tax	**950.73**	**744.43**	**(254.87)**	**(545.36)**	**894.93**
Other Information					
Segment Assets	**71,558.08**	**8,111.55**	**3,601.38**	**316.60**	**83,587.61**
Segment Liabilities	**30,158.39**	**4,769.25**	**3,142.36**	**85.82**	**38,155.82**
Capital Expenditure	**1,095.49**	**250.10**	**36.67**	-	**1,382.26**

S. R. BATLIBOI & CO. LLP * GURUGRAM *

DEE Development Engineers Limited
Notes to the consolidated financial statements for the year ended 31 March 2022

B. Reconciliations to amounts reflected in the financial statements (Amount in INR Lacs)

a. Reconciliation of profit

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Segment Profit	1,981.30	1,440.29
Unallocated Expenses	(651.89)	(545.36)
Profit before tax	1,329.41	894.93

b. Reconciliation of assets

Particulars	As at 31 March 2022	As at 31 March 2021
Segment operating assets	84,447.56	83,271.01
Unallocable Assets	92.24	316.60
Total assets	84,539.80	83,587.61

c. Reconciliation of liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Segment operating liabilities	43,214.05	38,070.00
Unallocable liabilities	127.60	85.82
Total liabilities	43,341.65	38,155.82

Following are the entity-wide disclosures:

a) Revenue from external customers

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
India	28,277.08	26,925.44
Outside India	17,814.50	22,596.29
Total revenue as per consolidated statement of profit or loss	46,091.58	49,521.73

The revenue information above is based on the locations of the customers.

b) List of major customer whose revenue more than 10% of total entity revenue

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Larsen & Turbo Limited	4,600.10	2,359.70
% of Revenue	**9.98%**	**4.76%**
GENERAL ELECTRIC	4,779.04	9,405.75
% of Revenue	**10.37%**	**18.99%**
PUNJAB STATE ELECTRICITY BOARD	7,815.37	6,602.71
% of Revenue	**16.96%**	**13.33%**

c) Trade Receivable

Particulars	As at March 31, 2022	As at March 31, 2021
India	9,577.93	7,939.16
Outside India	5,765.51	11,906.75
Total	15,343.44	19,845.91

S. R. BATLIBOI & CO. LLP * GURUGRAM *

(Amount in INR Lacs)

34 Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Particulars	Carrying value		Fair value	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
(A) Financial assets				
Non-current				
Security deposits	164.35	142.81	164.35	142.81
Term deposit accounts with maturity beyond 12 months	762.93	392.22	762.93	392.22
Current				
Trade receivables*	15,343.44	19,845.91	15,343.44	19,845.91
Cash and cash equivalents*	33.85	505.33	33.85	505.33
Security deposits*	10.92	8.35	10.92	8.35
Other financial assets*	2,552.04	2,857.66	2,552.04	2,857.66
Total financial assets	18,867.53	23,752.28	18,867.53	23,752.28
(B) Financial liabilities				
Non-current				
Long-term borrowings	4,682.15	5,131.12	4,682.15	5,131.12
Lease liability	404.17	406.38	404.17	406.38
Current				
Short-term borrowings*	23,853.76	20,585.50	23,853.76	20,585.50
Trade payables*	10,362.98	7,748.80	10,362.98	7,748.80
Lease liability	99.00	94.31	99.00	94.31
Other financial liabilities*	412.50	291.08	412.50	291.08
Total financial liabilities	39,814.56	34,257.19	39,814.56	34,257.19

Note:-
* The management assessed that fair value of trade receivables, cash and cash equivalents, security deposits, other short-term financial assets, short-term borrowings, trade payables and other short-term financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.
The following methods and assumptions were used to estimate the fair values:

a. Term deposits- The fair value of term deposits is equal to carrying value since they are carrying market interest rates as per the banks.

b. Foreign exchange forward contracts- Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing.

c. Long-term borrowings - The fair value of long-term borrowings is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. The carrying value and fair value of the borrowings has been considered the same since the existing interest rate approximates its fair value.

d. Others- For other financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

S. R. BATLIBOI & CO. LLP * GURUGRAM *

(Amount in INR Lacs)

35 Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are
(a) recognised and measured at fair value and
(b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

A. Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31 March 2022:

		Fair value measurement using		
Particulars	**Total**	**Quoted prices in active markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
Financial assets measured at amortised cost				
Security deposits	164.35	-	-	164.35
Term deposit accounts with maturity beyond 12 months	762.93	-	762.93	-
Financial liabilities measured at amortised cost				
Long-term borrowings	4,682.15	-	4,682.15	-

There have been no transfers between Level 1 and Level 2 during the year.

B. Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31 March 2021:

		Fair value measurement using		
Particulars	**Total**	**Quoted prices in active markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
Financial assets measured at amortised cost				
Security deposits	142.81	-	-	142.81
Term deposit accounts with maturity beyond 12 months	392.22	-	392.22	-
Financial liabilities measured at amortised cost				
Long-term borrowings	5,131.12	-	5,131.12	-

There have been no transfers between Level 1 and Level 2 during the year.

S.R. BATLIBOI & CO. LLP * GURUGRAM *

(Amount in INR Lacs)

36 Financial risk management objectives and policies

The Group's principal financial liabilities comprise borrowings and trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include security deposits given, loans to related party, employee advances, trade and other receivables, cash and cash equivalents and other assets.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include borrowings and foreign exchange forward contracts.

The sensitivity analysis in the following sections relate to the position as at 31 March 2022 and 31 March 2021.

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of floating to fixed interest rates of the debt and the proportion of financial instruments in foreign currencies are all constant in place at 31 March 2022.

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

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

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2022 and 31 March 2021.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

The Group is exposed to interest rate risk because Group borrows funds at both floating interest rates. These exposures are reviewed by appropriate levels of management. The Group regularly monitors the market rate of interest to mitigate the risk exposure. The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Increase / decrease in	Effect on profit before tax
As at 31 March 2022		
(i) INR loans	+0.50%	(94.93)
	-0.50%	94.93
As at 31 March 2021		
(i) INR loans	+0.50%	(88.90)
	-0.50%	88.90

The assumed movement in interest rates for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

The Group manages its foreign currency risk by purchasing foreign currency forward contracts that are expected to occur within a maximum 12-month period of forecasted sales and purchases. The following tables demonstrate the unhedged foreign currency exposure and sensitivity to a reasonably possible change in foreign exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities are as follows:

Particulars	Currency	31 March 2022		Impact on profit before tax	
		Foreign Currency	Indian Rupees	5% Increase	5% Decrease
Trade payables	USD	2.66	196.90	(9.85)	9.85
	CHF	0.11	9.25	(0.46)	0.46
Buyers credit from banks	USD	20.41	1,547.29	(77.36)	77.36
Trade receivables	EURO	0.27	22.43	1.12	(1.12)
Interest Receivable	USD	10.37	785.81	39.29	(39.29)
Cash in hand	USD	0.01	0.76	0.04	(0.04)

S.R. BATLIBOI & CO. LLP ★ GURUGRAM ★

DEE Development Engineers Limited
Notes to the consolidated financial statements for the year ended 31 March 2022

(Amount in INR Lacs)

Particulars	Currency	31 March 2021		Impact on profit before tax	
		Foreign Currency	Indian Rupees	5% Increase	5% Decrease
Trade payables	USD	4.36	320.66	(16.03)	16.03
	EURO	0.42	3.38	(0.17)	0.17
Buyers credit from banks	EURO	5.13	376.87	(18.84)	18.84
	USD	4.16	357.85	(17.89)	17.89
Trade receivables	USD	51.32	3,772.55	188.63	(188.63)
	EURO	0.10	8.63	0.43	(0.43)
Interest Receivable	USD	6.23	457.64	22.88	(22.88)
Balance with Banks	EGP	0.41	1.94	0.10	(0.10)
Cash in hand	USD	0.00	0.41	0.02	(0.02)

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities including trade receivables, deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade receivables

Trade receivables do not have any significant potential credit risk for the Group as the business of the Group is majorly cash based. An impairment analysis is performed by the management at each reporting date on individual basis for major clients.

Financial instruments and cash deposits

Credit risk from balances with banks is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis, and may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Group's maximum exposure to credit risk for the components of the balance sheet at 31 March 2022 and 31 March 2021 is the carrying amounts as stated in Note 5

Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of cash credits and bank loans. Approximately 40 % of the Group's long term debt will mature in less than one year at 31 March 2022 (31 March 2021: 39%) based on the carrying value of borrowings reflected in the financial statements. The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

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

	<12 months	1 to 5 years	> 5 years	Total
	INR lacs	INR lacs	INR lacs	INR lacs
As at 31 March 2022				
Long term borrowings	-	4,682.15	-	4,682.15
Short term borrowings (includes current maturity of long term borrowings)	23,853.76	-	-	23,853.76
Trade payables	10,362.98	-	-	10,362.98
Lease liablity	99.00	319.68	84.49	503.17
Other financial liabilities	412.50	-	-	412.50
	34,728.24	5,001.83	84.49	39,814.56
As at 31 March 2021				
Long term borrowings	-	4,119.45	1,011.67	5,131.12
Short term borrowings (includes current maturity of long term borrowings)	20,585.50	-	-	20,585.50
Trade payables	7,748.80	-	-	7,748.80
Lease liablity	94.31	292.54	113.84	500.69
Other financial liabilities	291.08	-	-	291.08
	28,719.69	4,411.99	1,125.51	34,257.19

S. R. BATLIBOI & CO. LLP
GURUGRAM

(Amount in INR Lacs)

37 Capital management

For the purpose of the Group's capital management, capital includes issued equity share capital and all other equity reserves attributable to the shareholders of the Group. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

The Group's gearing ratio is as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Borrowings including current maturities (refer note 10)	28,535.92	25,716.61
Less: cash and cash equivalents (refer note 5(B))	(33.85)	(505.33)
Net debt (A)	**28,502.07**	**25,211.28**
Total equity	41,198.15	45,431.79
Equity (B)	**41,198.15**	**45,431.79**
Capital and net debt (C) = (A) + (B)	**69,700.22**	**70,643.07**
Gearing ratio (A) / (C) (%)	**40.89%**	**35.69%**

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowings in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2022 and 31 March 2021.

This page is intentionally left blank

S.R. BATLIBOI & CO. LLP * GURUGRAM *

(Amount in INR Lacs)

38. Statement of information regarding Group Companies:

Name of the entity in the Grou	Period	Net Assets		Share in Comprehensive income/(loss)		Share in profit/(loss) after tax		Share in Total Comprehensive income	
		As % of consolidated net assets	Amount (Rs in Lacs)	As % of consolidated Comprehensive Income	Amount (Rs in Lacs)	As % of consolidated profit or loss	Amount (Rs in Lacs)	As % of total comprehensive income	Amount (Rs in Lacs)
Parent									
DEE Development Engineers Limited	31-Mar-22	79.35	32,691.82	(55.98)	10.79	93.40	786.70	96.90	797.49
	31-Mar-21	83.33	37,859.25	9.87	21.90	119.42	1,696.43	104.62	1,718.33
Subsidiaries									
Indian									
Malwa Power Private Limited	31-Mar-22	4.93	2,030.99	4.85	(0.94)	70.48	593.62	72.02	592.69
	31-Mar-21	3.78	1,498.28	1.70	3.78	34.75	493.57	30.28	497.35
Dee Fabricom India Pvt. Ltd.	31-Mar-22	0.43	177.08	-	-	(25.14)	(211.74)	(25.73)	(211.74)
	31-Mar-21	1.27	505.13	-	-	12.28	174.47	10.62	174.47
Foreign									
DEE Piping System (Thailand) Co. Ltd.	31-Mar-22	15.29	6,298.26	151.10	(29.13)	(38.74)	(326.32)	(43.19)	(355.45)
	31-Mar-21	(0.55)	5,569.13	88.43	196.29	(67.30)	(956.00)	(46.25)	(759.71)
Jointly controlled entity									
Dee Fabricom LLC (Refer Note 4)	31-Mar-22	-	-	-	-	-	-	-	-
	31-Mar-21	-	-	-	-	0.85	12.06	0.73	12.06
Total		**100.00**	**41,198.15**	**99.97**	**(19.28)**	**100.00**	**842.26**	**100.00**	**822.99**
March 31, 2021		**87.84**	**45,431.79**	**100.00**	**221.97**	**100.00**	**1,420.53**	**100.00**	**1,642.50**

This page is intentionally left blank

S. R. BATLIBOI & CO. LLP
GURUGRAM

(Amount in INR Lacs)

39 Group as a lessee

i) The Group's leased assets primarily consists of lease for factory lands, plant and Machinery, computers and data processing equipment having lease term of 5-10 years.

The Group recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate as on the date of transition and has measured right of use asset at an amount equal to lease liability adjusted for previously recognised prepaid or accrued lease payments. Further, lease arrangements where the Group is lessor, lease rentals are recognized on straight line basis over the non-cancellable period

The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets .

The Group also has certain leases of machinery with lease terms of 12 months or less and leases of office equipment with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

ii) Set-out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

	Factory Land	Computer and data processing equipment	Plant and Machinery	Total
Right-of-use assets as at 1 April 2020	264.59	-	-	264.59
Additions	129.92	79.04	87.62	296.58
Deletion	25.11	-	-	25.11
Depreciation expense (refer note 22)	53.28	14.82	8.73	76.83
As at 31 March 2021	**316.12**	**64.22**	**78.89**	**459.23**
Additions	38.95	-	41.71	80.66
Deletion	-	-	13.22	13.22
Depreciation expense (refer note 22)	52.66	19.76	20.16	92.58
As at 31 March 2022	**302.41**	**44.46**	**87.22**	**434.09**

iii) Set-out below are the carrying amounts of lease liabilities (included under other financial liabilities) and the movements during the period:

	Factory Land	Computer and data processing equipment	Plant and Machinery	Total
Lease liability as at 1 April 2020	277.61	-	-	277.61
Additions	129.92	79.05	87.62	296.59
Accretion of interest (refer note 24)	30.47	5.47	4.15	40.09
Payments	56.35	17.89	10.94	85.18
Disposal	28.42	-	-	28.42
As at March 31, 2021	**353.23**	**66.63**	**80.83**	**500.69**
Additions	37.46	-	41.71	79.17
Accretion of interest (refer note 24)	34.44	5.71	8.54	48.69
Payments	42.23	23.86	50.21	116.30
Disposal	-	-	9.08	9.08
As at March 31, 2022	**382.90**	**48.48**	**71.79**	**503.17**
Current	53.84	19.12	26.04	99.00
Non- current	329.06	29.36	45.75	404.17

iv) The maturity analysis of contractual undiscounted cash flow-: -

As at March 31, 2022

	Less than 1 year	1 to 5 years	More than 5 year
Factory Land	64.66	269.90	167.35
Computer and data processing equipment	23.86	47.72	-
Plant and Machinery	32.44	71.19	-
			-

As at March 31, 2021

	Less than 1 year	1 to 5 years	More than 5 year
Factory Land	63.85	250.71	222.70
Computer and data processing equipment	23.86	53.68	-
Plant and Machinery	21.87	78.38	-

v) The following are the amounts recognised in the Statement of Profit and Loss:

	March 31, 2022	March 31, 2021
Depreciation expense of right-of-use assets	92.58	76.83
Interest expense on lease liabilities	48.69	40.09
Expense relating to short-term leases (included in other expenses)	350.50	161.33
Total amount recognised in Statement of Profit and Loss	**491.77**	**278.25**

S. R. BATLIBOI & CO. LLP * GURUGRAM *

(Amount in INR Lacs)

vi) Impact on statement of cash flows (increase/(decrease)):

	March 31, 2022	March 31, 2021
Operating lease payments*	116.30	85.18
Net cash flows used in operating activities	116.30	85.18
Payment of principal portion of lease liabilities	67.61	45.09
Payment of interest portion of lease liabilities	48.69	40.09
Net cash flows used in financing activities	116.30	85.18

* Composed of different line items in the indirect reconciliation of operating cash flows.

The Group had total cash outflows for leases of Rs. 466.80 lakhs for the year ended March 31, 2022 (Rs. 246.51 lakhs for March 31, 2021).

40 Consequent to the uncertainties/ disruptions caused due to continuation of pandemic, the Company has made assessment of impact of this pandemic on its business operations and has made assessment of its liquidity position for the next one year and believes that there is no significant impact of Covid-19 on the Group's business operations. The Group has assessed the recoverability and carrying value of its assets comprising property, plant and equipment, intangible assets, right of use assets, investments, inventory, advances, trade receivables, other financial and non-financial assets etc. as at balance sheet date using various internal and external information up to the date of approval of these financial statements. Based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. Changing situation of pandemic is giving rise to inherent uncertainty around the extent and timing of the potential future impact of the COVID-19 pandemic which may be different from that estimated as at the date of approval of these standalone financial statements and the Company will continue to closely observe the evolving scenario and take into account any future developments arising out of the same.

41 **Buy Back of equity shares**

During the year, the Company has concluded the buyback of 5,084,891 equity shares of face value of Rs 10/- each at a price of Rs. 99 per equity share ("Buyback") for an aggregate amount of Rs 5,034.04 lacs, as approved earlier by the Board of Directors on May 07, 2021 and approval of shareholders through special resolution passed in extra ordinary general Meeting dated May 08, 2021. Buyback was done at record date of May 08, 2021 and the equity shares bought back were extinguished on May 17, 2021. Total outflow of Rs. 5,034.04 lacs has been utilised from the share capital, general reserves and retained earnings, in line with the requirement under the Companies Act 2013.

Additionally, Capital Redemption Reserve of Rs. 508.49 lacs (equivalent to nominal value of the equity shares bought back) has been created out of retained earnings, in line with the requirement under the Companies Act 2013. Consequent to extinguishment of shares so bought back, the paid-up equity share capital has been reduced by Rs. 508.49 lacs.

42 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/ interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

43 **Tax rate change**

Pursuant to introduction of new tax regime as introduced by the Taxation Laws (Amendment) Act, 2019 which provided an option to the Company for paying Income Tax at reduced rates as per the provisions/ conditions defined in the newly inserted Section 115BAA in the Income-tax Act, 1961.

During the previous year the Company had exercised the option to adopt lower tax rate, consequently the Company had applied the lower income tax rates on the deferred tax assets/ liabilities to the extent these are expected to be realized or settled in the future period when the Company may be subjected to lower tax rate. This had resulted in reversal of net deferred tax liabilities amounting to INR 758.47 lacs in previous year.

S. R. BATLIBOI & CO. LLP
GURUGRAM

(Amt in INR Lacs)

44 Other statutory information:

(i) The Group do not have any Benami Property, where any proceeding has been initiated or pending against the group for holding any Benami Property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
(ii) The Group do not have any transactions with companies struck off under Section 248 of the Companies Act, 2013

(iii) The Group do not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period

(iv) The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Group have not advanced or loaned or invested funds to any other person(s) or entity (ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:
(a) Directly or indirectly lend or invest in other person or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(b) Provide any guarantee, security, or the like to or on behalf of the Ultimate Beneficiaries.

(vi) The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the group shall:
(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (Ultimate Beneficiaries) or
(b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
(vii) The Group have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessment under the income tax Act,1961 (Such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(viii) The Group has not been declared as wilful defaulter by any bank or financial institution or Government or any Government authority or other lender, in accordance with the guidelines on wilful defaulters issued
by the Reserve Bank of India

(ix) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 from the date of their implementation

45 The figures for the corresponding previous year have been regrouped/ reclassified, wherever considered necessary including requirements of the amended schedule III to the Companies Act, 2013, to make them comparable with current year classification

As per our report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

S. R. BATLIBOI & CO. LLP
GURUGRAM

per Amit Yadav
Partner
Membership No: 501753

Place : Gurugram
Date : September 24, 2022

For and on behalf of the Board of Directors of
DEE Development Engineers Limited

K.L. Bansal
Chairman & Managing Director
DIN No. 01125121

Ashima Bansal
Director
DIN No. 01928449

Ranjan Sarangi
group Secretary
FCS-8604

Gaurav Narang
Chief Financial Officer

Place : Faridabad
Date : September 24, 2022