



ARTSON ENGINEERING LIMITED

(Subsidiary of Tata Projects Limited)

45th

ANNUAL REPORT
2023-24



BOARD OF DIRECTORS



Vinayak Pai
Chairman
(Non-Executive)



Shashank Jha
Whole-Time Director & CEO



Deepak Natarajan
Non-Executive Director



Jyotisman Dasgupta
Independent Director



Priya Kher
Independent Director



Ashish Kulkarni
Independent Director

KEY MANAGERIAL PERSONNEL

Chief Financial Officer

:

K Siva Rama Krishna

Company Secretary & Compliance Officer

:

Deepak Tibrewal



ARTSON ENGINEERING LIMITED

CIN: L27290MH1978PLC020644

(A Subsidiary of Tata Projects Limited)

Registered Office: 2nd Floor, One Boulevard, Lake Boulevard Road, Hiranandani Business Park, Powai, Mumbai - 400076, Maharashtra

Phone: +91 40 6601 8194; Email: investors@artson.net; Website: www.artson.net

Corporate Office	:	Ground Floor, Mithona Towers-1, 1-7-80 to 87, Prenderghast Road, Secunderabad, Hyderabad - 500003, Telangana State. Tel. No. 040 6601 8194
Manufacturing units	:	Nashik Unit: D-5, MIDC Ambad, Nashik - 422010; Tel. No. 9860252880 Nagpur Unit: Plot No. D-1, Umred, Industrial Area, MIDC, Umred, Nagpur - 441203; Tel. No. 7774074198 Parli Unit: Survey No 5, Hissa No. - 1a, 1b, 1c, Village Parli, Taluka - Sudhagad, Raigad - 410205; Tel. No. 9689051478.
Registrar and Share Transfer Agent	:	Link Intime India Private Limited #C 101, 247 Park, LBS Marg, Vikhroli West, Mumbai - 400083 Tel No: +91 22 4918 6000 Fax: +91 22 4918 6060
Bankers	:	DCB Bank Federal Bank IndusInd Bank Union Bank of India
Statutory Auditors	:	Price Waterhouse & Co Chartered Accountants LLP (FRN-304026E/E300009)
Internal Auditors	:	Aneja Associates, Chartered Accountants (FRN-100404W)
Secretarial Auditors	:	MKS & Associates, Company Secretaries (FRN-S2017TL460500)
Cost Auditors	:	Sagar & Associates, Cost Accountants (FRN-000118)

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45th ANNUAL GENERAL MEETING

Date	:	Wednesday, 18 th September 2024
Time	:	15:30 Hrs. (IST)
Venue	:	Video Conference (VC) / Other Audio-Visual Means (OAVM) facility provided by the National Securities Depositories Limited (NSDL)

CHAIRMAN'S MESSAGE

Dear Esteemed Stakeholders,

Greetings!

I am delighted to share that your Company has achieved four consecutive profitable quarters, concluding FY23-24 on a High. This marks the beginning of a significant journey of recovery, growth, and resilience, following the disruptions and losses of recent years. As the saying goes, "The journey of a thousand miles begins with a single step," and we have indeed taken that step with determination and purpose.

With the signing of the Brand Equity and Business Promotion agreement with the Tata group, we now have the privilege of leveraging the 150-year legacy of the Tata brand for our marketing initiatives. This partnership adds further strength to the robust Artson brand, which has been a distinguished name in tankages and process equipment since 1978.

This year has been a period of many firsts and remarkable achievements. We recorded the highest revenue ever at our Nashik factory and established a new manufacturing facility in Parli, near Mumbai. We implemented SAP to better prepare for tomorrow and introduced new leadership to the Artson Board. We also signed multiple MoUs in the shipbuilding sector. Notably, manufacturing contributed more to our revenue than EPC projects for the first time, reflecting a strategic shift that was initiated 2 years ago.

As part of our efforts to stabilize the EPC business unit, we completed or closed all but one of the onerous projects. We ended the year with all manufacturing business units in profit, and the tankage and EPC business unit showed strong recovery. The waiver of liquidated damages for the IOCL Dhumad and IOCL Paradip (P2) projects by virtue of the Government's Vivad se Vishwas scheme provided much-needed relief.

Towards the end of last financial year and the beginning of this year, we experienced a robust recovery in customer demand and the finalization of new orders. We secured a 125 crore fuel farm development project at Guwahati airport for GIAL, our third such project following successful deliveries at MAFFFL in Mumbai and GMR in Hyderabad. With over a hundred more airports planned in the coming years, we foresee numerous similar opportunities.

Tata Projects has been a steadfast pillar of support, providing unwavering assistance. Artson has formally adopted the values and applicable policies of Tata Projects and is now co-located with TPL to enhance collaboration and provide supply chain resilience within the ambit of related party transactions.

India's robust economic growth, driven by investments in infrastructure, commitments to sustainability, and defense expenditure to build a world-class navy, has created more market opportunities than we can address. This is indeed the time to 'Make in India', and we are at the forefront of this movement. Our focus remains on pursuing nation-building opportunities that are both profitable and cash positive.

I have unwavering belief in our boundless potential. With financial discipline and operational rigor, we can anticipate significant growth in both top and bottom lines in the short to medium term. We reaffirm our commitment to contributing to a 'Viksit Bharat' by 2047.

I extend my heartfelt gratitude to the members of the Board for their unwavering support and encouragement, and to our Management team for their dedication and commitment.

To our valued customers, stakeholders, bankers, suppliers, and subcontractors, thank you for your trust and partnership. I also extend my deepest appreciation to our employees, whose hard work, dedication, and passion have been instrumental in navigating through this period.

Onward and upward, we go!

Yours Sincerely,
Vinayak Pai



MESSAGE FROM THE CEO & WHOLE-TIME DIRECTOR



It was the best of times. It was the worst of times

In 2023, the world experienced a profound paradox of prosperity and peril. As Charles Dickens once penned, "It was the age of wisdom, it was the age of foolishness." Technological advancements like generative AI revolutionized industries, promising unprecedented efficiency and innovation. Asia emerged as the world's largest economic and trading hub, accounting for over 50% of global trade value. Sustainable finance initiatives flourished globally, with institutions like Standard Chartered and Societe Generale making significant strides in supporting green projects and community investments.

However, this progress was not without its challenges. The same technological advancements that heralded progress also threatened widespread job displacement and economic inequality. Environmental challenges persisted, and geopolitical tensions created uncertainty and instability. This duality of remarkable achievements and significant challenges defined the year, making 2023 a time of contrasts and complexities.

Closer to home in India, we witnessed a year of Climactic extremes, nail-biting elections, the return of the T20 World Cup, and all-time highs in the stock market. We saw significant investments in infrastructure, including the expansion of highways, modernization of railways, and development of smart cities, which bolstered economic growth and improved connectivity across the country. These achievements reflect a year of significant progress and innovation on both global and national stages, with a strong emphasis on sustainable development, technological advancements, and economic resilience, setting the ground for a 'Viksit Bharat' by 2047.

Amid this global and national dynamism, our Company remained steadfast. We transitioned from six years of losses to achieving four consecutive profitable quarters, culminating in a net profit of approximately 5 crore this financial year. Our factories and projects either ended the year profitably or were on the path to recovery.

We diligently implemented the pivot to manufacturing as promised last year. We established a new manufacturing facility at a 7+ acre site in Parli, off Mumbai-Pune expressway - strategically located near major transportation hubs. We intend to transform this to a multimodal facility. Our Nashik factory also had its best year since its inception, more than doubling revenue at healthy margins.

We moved from losses to stop-loss on EPC projects – completing or exiting almost all legacy projects, and making solid progress on the IOCL Paradeep project with mechanical completion achieved on two out of three tanks already. We have decided to focus on our core of tankages and the SBU is now renamed Tankage & EPC. We are already flooded with new project enquiries and have already booked a prestigious order – the largest order in over 5 years – for the Guwahati International Airport Fuel tank farm.

We have also been strengthening our backend and our processes to support our growth ambitions. We have moved from manual and Tally operations to SAP. The new Board of Directors includes stalwarts with deep domain expertise and reflects the new direction of our organization. We have strengthened and reorganized the leadership team and moved many of our senior leaders to Mumbai, to be co-located with the leadership of our promoters in the Tata group. We have recently announced signing of the Brand Equity and Business Promotion (BEBP) guidelines of the Tata group, which helps us better leverage the Tata brand and our position as a group Company. It is worth mentioning that Artson ended calendar year 2023 as the second best performing stock of the Tata group.

It was not all a bed of roses last year though. We continued to deal with the headwinds of our past choices. Working capital challenges due to years of losses and negative cash flows were overcome through timely support from the promoter Company. Unresolved challenges from legacy projects and vendor Management issues continued to hog our bandwidth for a majority of the year. Generating Cash, Retaining Talent and managing funds remained the biggest challenges throughout the year – at times limiting our ability to take on some very attractive projects.

As I mentioned last year, most Companies in our promoter group have similar 'origin stories'. Years of tumult and struggle – while staying aligned with their north star and then a fairy-tale growth story! Our Company too intends

to stay aligned to its core of manufacturing and tankages, while making strategic moves like shipbuilding – that are aligned to our core DNA of nation building. We continued to focus on the five fundamentals: People, Productivity, Profitability, Predictability and Partnerships. We have made huge progress on all of these fronts already and hopefully would be soon seeing a breakthrough in all growth areas in our focus

As we look towards the future, revitalizing the Indian ship building industry has now gained a sense of urgency as the Maritime India Vision 2030 aims to move India's shipbuilding and ship repair ranking to the top 10 globally, while the Maritime Amrit Kaal Vision 2047 sets an even more ambitious goal of reaching the top 5. India's National Green Hydrogen Mission (NGHM) is a flagship initiative by the government to establish the country as a global leader in green hydrogen production, use, and export by 2030 - reaching 5 million metric tons (MMT) of annual green hydrogen production capacity and attracting over US \$96.25 billion in total investments by 2030. The 'Gati Shakti' plans to invest heavily in infrastructure, including highways, ports, railways, and smart cities and allocate over 11 lakh crore rupees to these projects. According to a CRISIL report, India is projected to allocate nearly Rs 143 lakh crore towards infrastructure development over the next seven fiscal years, which is significantly more than the Rs 67 lakh crore spent during the previous seven years

Given the above investment context, in this financial year, our focus would remain on generating profitable growth aligned to the above 3 core market opportunities. We would target to take on profitable and cash flow positive jobs that are aligned with our core competence of tankages & infrastructure, shipbuilding & manufacturing. With decades of experience in manufacturing process equipment that qualify as balance of plant for green hydrogen projects, with a track record of hundreds of large storage tanks to store and move gases and other products, with almost a decade of experience building ships for the Indian Navy at Garden Reach Shipyard in Kolkata, with the installed capacity for ~20,000 Tons per annum of structural fabrication and above all – with the authorization to leverage the Tata brand as per the BEBP agreement. In the spirit of resilience and optimism, I leave you with this thought:

*Amidst the storm, we find our way,
Through trials faced, we rise each day.
In every challenge, strength is found,
With dreams aloft, we're homeward bound.*

Yours Sincerely,
Shashank Jha



NOTICE CONVENING 45TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the 45th Annual General Meeting (AGM) of the members of Artson Engineering Limited ("Artson" or 'the Company') will be held on Wednesday, 18th September 2024 at 15:30 Hrs. (IST) through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March 2024, together with the reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Vinayak Pai (DIN: 03637894), who retires by rotation and being eligible, offers himself for re-appointment.

Special Business:

3. To appoint Mr. Ashish Kulkarni (DIN: 10551684) as Independent Director:

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT Mr. Ashish Kulkarni (DIN: 10551684), who was appointed as an Additional Director (Independent) of the Company with effect from 18th March 2024 by the Board of Directors and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 (the Act), and is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under the provisions of section 160 of the Act proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director for an initial term of three years."

4. To appoint Ms. Priya Kher (DIN: 10552950) as Independent Director:

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT Ms. Priya Kher (DIN: 10552950), who was appointed as an Additional Director (Independent) of the Company with effect from 18th March 2024 by the Board of Directors and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 (the Act), and is eligible for appointment and in respect of whom the Company has received a notice in writing from a member under the provisions of section 160 of the Act proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director for an initial term of three years."

5. To appoint Mr. Deepak Natarajan (DIN: 06805859) as Non-Executive Director:

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT Mr. Deepak Natarajan (DIN: 06805859), who was appointed as an Additional Director of the Company with effect from 10th June 2024 by the Board of Directors and holds office up to the date of this Annual General Meeting in terms of Section 161(1) of the Companies Act, 2013 (the Act), and is eligible for appointment and in respect of whom the Company has received a notice in writing from a member under the provisions of section 160 of the Act proposing his candidature for the office of Director, be and is hereby appointed as a Non-Executive Director, liable to retire by rotation."

6. To approve change of name of the Company:

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

"RESOLVED THAT pursuant to provisions of Section 13 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and corresponding Rules made thereunder, including any statutory modification(s) or re-enactment thereof, for the time being in force and subject to requisite regulatory approvals, consents, permissions and sanctions, required, if any, in this regard from any appropriate statutory authorities, consent of the members be and is hereby accorded for changing the name of the Company from "Artson Engineering Limited" to "**Artson Limited**" by dropping the word 'Engineering' from the existing name.

RESOLVED FURTHER THAT the Name Clause, of the Memorandum of Association of the Company, be and is hereby altered by deleting the existing Clause and substituting it with the following clause:

“1st The Name of the Company is Artson Limited.”

RESOLVED FURTHER THAT in the event any name, other than 'Artson Limited' is made available by the MCA and acceptable to the Board / its authorized representatives, the name of the Company shall be changed to such other name (which is made available).

RESOLVED FURTHER THAT in terms of Section 13 and 14 of the Companies Act, 2013 and other applicable provisions of the Act, if any, the Memorandum of Association and Articles of Association of the Company be altered by deleting the existing name of the Company wherever it appears and substituting it with the new name of the Company.

RESOLVED FURTHER THAT any of the Directors of the Company, the Chief Executive Officer, the Chief Financial Officer and the Company Secretary be and are hereby severally authorized to do all such acts, deeds and things as may be required for giving effect to this Resolution and to settle all questions, difficulties or doubts that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

7. To alter the Clauses of Memorandum of Association of the Company and their re-numbering:

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

“RESOLVED THAT pursuant to the provisions of Section 4 and 13 of the Companies Act, 2013 (“the Act”) read with the Companies (Incorporation) Rules, 2014 and all other applicable provisions, if any, of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force), subject to requisite regulatory approvals, consents, permissions and sanctions, required, if any, in this regard from any appropriate statutory authorities the consent of the Members of the Company be and is hereby accorded to alter the Memorandum of Association of the Company as follows, and in line with the Table A, Schedule - I of the Companies Act, 2013:

- a) The style of clause numbering of the Memorandum of Association be changed from Roman numeric to English numeric viz., 1st, 2nd, 3rd etc.
- b) The existing Clause III(A) be substituted with the new clause, to be read as **“3rd (a) - The Objects to be pursued by the Company on its incorporation are”** and by altering the objects such that the new objects shall read as below:
 1. To undertake works including manufacturing / fabrication at its and / or its associated facilities and erection at sites, of process plant equipment including heat exchangers, pressure vessels, columns, storage tanks, its accessories, mechanical equipment and others related to green hydrogen and clean energy, steel structures of plants, building, industries, railways, airports and other infrastructure projects.
 2. To undertake contracts to execute project works of procurement, construction, mechanical, civil, electrical, instrumentation and / or in site construction works of storage tanks, mounded bullets, double walled cryogenic tanks and its associated works at any site whether in India or abroad.
 3. To undertake contracts for fabrication, erection, mechanical, installation, outfitting, MEP works, assemblies, repairs of parts of/ or complete ship, boats, vessels, barge, floating platforms and other products associated with Maritime Industry or otherwise in India or abroad at any shipyards or ports or facilities for defence and other sectors including manufacturing either independently or through association mode and chartering and leasing of Company manufactured small boats to PSU’s, private clients and other users.
- c) The existing Clause III(B) be substituted with the new clause, to be read as **“3rd (b) - Matters which are necessary for furtherance of the Objects specified in Clause 3(a)”** and by altering the clauses therein, such that the new clauses shall read as below:

Clause 3rd (b) - Matters which are necessary for furtherance of the Objects specified in Clause 3rd (a):

4. Subject to the provisions of Section 179 of the Companies Act, 2013 and other applicable provisions, if any, to invest the surplus funds of the Company, from time to time in fixed deposits with banks or by acquiring shares, securities, stocks, debentures, bonds, units of mutual funds or Government securities or other securities, stocks, or otherwise and in such manner as may from time to time sell or vary such investments as may be determined by the Directors and to exercise and enforce all rights and powers conferred by or incidental to such investments and execute all such assignments, endorsements, transfers, receipts and documents that may be necessary in that behalf.



5. To lend moneys on pledge, hypothecation, mortgage or otherwise and on such terms and conditions, with or without security, as may seem expedient and, in particular to customers and / or suppliers or service providers of and persons having dealings with the Company and to any other Company or Body Corporate or firm or person, as may be expedient and to guarantee the performance of contracts by any such persons, provided that the Company shall not carry on the business of Banking or as Non-banking Financial Company or Nidhi Company as defined by the applicable laws.
6. To negotiate loans, borrow monies, issue secured or unsecured debentures, whether convertible or non-convertible, to negotiate indemnity contracts, mortgages, equity participation, cash credits, overdrafts and other financial facilities from banks, financial institutions, government or semi-government bodies and others, or on behalf of Companies, Firms, Societies, Associations and others.
7. To open current or savings or fixed deposit accounts with any bank and to pay into and draw money from these accounts.
8. To buy, sell, import, export and deal in merchandise, products, substances, commodities, articles and things required for the business of the Company.
9. To enter into negotiations or collaborations, technical, financial or otherwise with any persons or with foreign Companies or any government and acquire by grant, purchase, lease, barter, licence or other terms of copyrights, formulae, process and other rights and benefits and to obtain financial and/or technical information, know-how and expert advice for providing or rendering services which the Company is authorized to provide or render.
10. To acquire by purchase, lease, exchange, hire, concessions, grant or otherwise either absolutely or conditionally and either alone or jointly with others, any patents, licences, concessions, patent rights, trade marks, privileges and other rights for the object and business of the Company or which the Company may think necessary or convenient to acquire or the acquisition of which in the opinion of the Company is likely to facilitate the realization of any securities held by the Company or to prevent or diminish any apprehended loss or liability or which may come into the possession of the Company in satisfaction or part satisfaction of any of its claims and to pay for all such property and rights purchased or acquired by the Company in any manner including by shares, debentures, debenture stock, or bonds or other securities held by the Company or otherwise and to manage, sell, develop, improve, exchange, let on lease, or otherwise dispose of or turn to account all such property and rights purchased or acquired by the Company and to acquire and hold and generally deal with in any manner whatsoever all or any property and rights, moveable or immovable and any right, title or interest therein which may form part of the security for any loans or advances made by the Company or which may be connected with any such security and all at such times and in such manner and for such manner and for such consideration as may be deemed proper or expedient.
11. To enter into agreements, contracts for, undertake or otherwise arrange for receiving, mailing or forwarding any circular, notice, report, material, brochure, article and thing(s) belonging to any Company, Corporation, Firm, Institution or Person or Persons or persons by means of delivery by hand, electronically or otherwise and to establish, hold or conduct competitions in respect to contribution or information suitable for insertion in any publications of the Company or otherwise for any of the purposes of the Company and to offer and grant prizes, rewards and premiums of such character and on such terms as may be expedient.
12. To acquire by purchase, lease, hire or exchange or otherwise and to operate any kind of reproduction process equipment whatsoever and to possess, hold in custody any raw material or intermediate product or equipment, plant and machinery not owned by the Company but may be required for the use of Company's business.
13. To establish, provide, maintain and conduct or otherwise subsidise research laboratories and experimental work-shops for scientific and technical research experiment and to undertake and carry on with all scientific and technical researches, experiments and tests of all kinds and to promote studies and research both scientific and technical investigation and invention by providing, subsidizing, endowing or assisting laboratories, work-shops, libraries, lectures, meetings and conference and by providing the remunerations of scientific or technical professors or teachers and by providing of the award of exhibitions

scholarships, prizes, grants and bursaries to students or independent student or otherwise and generally to encourage, promote and reward studies, researches, investigation, experiment, test and invention of any kind that may be considered likely to assist any of the business which the Company is authorized to carry on.

14. To purchase, hire or otherwise acquire and maintain suitable buildings, ownership flats, apartments, furniture and other fittings for the purpose of achieving any of the objects for which the Company is established and to construct, alter or keep in repair any buildings, flats or premises belonging to the Company.
15. To sell, improve, manage, develop, exchange, loan, lease or let, underlease, sub-let, mortgage, dispose of, turn to account or otherwise deal with any property of the Company or any portion of any premise for residential, trade or business purposes or other private or public purposes and collect rents and incomes therefrom.
16. Subject to the provisions of Sections 179 and 180 of the Companies Act, 2013 and other applicable provisions (if any), to receive money in any form, borrow or raise money whether secured or unsecured on such terms and conditions as the Company may consider expedient and secure and discharge any debt or obligation or binding on the Company in such manner as may be thought fit, and in particular, by the issue or sale of debentures, debenture-stock, bonds; obligations, mortgages and securities of all kinds either perpetual or terminable and either redeemable or otherwise, and to charge or secure the same, by trust deed or otherwise, on the undertaking of the Company, or upon any specific property and rights, present and future of the Company or otherwise howsoever, and to pledge or hypothecate any of the securities or investments of the kinds aforesaid.
17. To remunerate any person or Company for services rendered or to be rendered in placing or assisting to place or guaranteeing placing of any debentures or other securities of the Company.
18. To enter into any arrangement with any government or authority supreme, municipal, local or otherwise that may seem conducive to the Company's objects or any of them, and to obtain from such government or authority all rights, concessions, and privileges which the Company may think it desirable to obtain and to carry out, exercise and comply with any such arrangements, rights, privileges and concessions.
19. To pay all the costs, charges and expenses of and incidental to the promotion, formation, registration and establishment of the Company and issue of its capital including brokerage and commission for obtaining applications, for or taking, placing or underwriting or procuring the underwriting of shares, debentures or other securities of the Company and costs, charges, expenses of negotiations and contracts and arrangement made prior to and in anticipation of the formation and incorporation of the Company, having regard to the provisions of the Companies Act, 1956/ Companies Act, 2013 and for incidental to the raising of money for the Company.
20. To sell or dispose of the undertaking of the Company or any part thereof for such consideration as the Company may think fit and in particular for shares, debentures or securities of any other association or Company having objects altogether or in part similar to those of the Company.
21. To take or otherwise hold shares in any other Company, Firm or Association or Co-operative Society as permitted under the relevant regulatory/ statutory laws/ guidelines.
22. To establish a trust or trusts and/or appoint trustees there of from time to time and vest funds or any property in the trustees who shall hold and deal with such funds or property in such manner as the Company may decide.
23. To undertake and execute any trusts the undertaking of which may seem to the Company desirable.
24. To draw, make, execute, issue, endorse, negotiate, accept, discount, buy, sell, collect and deal in bills of exchange, commercial paper, treasury bills, hundies, promissory notes, bills of lading, railway receipts, warrants, debentures, bonds, mortgage backed securities, letters of credit or obligations, certificates, scripts, warehouse receipts, pass through certificates and other negotiable instruments or securities whether transferable or negotiable or mercantile or not.
25. To lend money, securities and property, or receive loans or grants or deposits.



26. To establish offices, agencies, workshops, temporary facilities, factories, assembling units, within or outside India or appoint agents there in order to carry out the object of the Company.
27. To conduct, undertake the conduct of and participate in national or international exhibitions.
28. To promote, form and register, and aid in the promotions, formation and registration of any Company or Companies, subsidiary or otherwise, Body Corporate, Partnership or any other Association of Persons for engaging in any business, for the purpose of acquiring all or any of the property, rights and liabilities of this Company or for any other purpose which may seem directly or indirectly calculated to benefit the Company, and to transfer to any such Company any property of the Company, and to be interested in, or take or otherwise, acquire, hold, sell or otherwise dispose of shares, stock, debentures and other securities in or for any of the objects mentioned in this Memorandum, and to subsidize or otherwise assist any such Company.
29. To create any depreciation fund, reserve fund, sinking fund, insurance fund, or any special or other fund, reserves and / or whether for depreciation, or for repairing, improving, extending or maintaining any of the properties of the Company, or for redemption of debentures or redeemable preference share, or for any other purpose whatsoever conducive to the interest of the Company.
30. To provide for the welfare of employees or ex-employees of the Company (including Directors) and the wives and families, or the dependents or connections of such persons by building or contributing to building of houses, dwellings or chawls, or by grants of money, pensions, allowances, bonus or other payments, or by creating and forming from time to time, subscribing or contributing to provident and other associations, institutions, funds or trusts, granting pensions and allowances, making payments towards Insurance and by providing or subscribing or contributing towards places of instructions and recreation, hospitals and dispensaries, medical and other attendances and other assistance as the Company shall think fit and to subscribe or otherwise to assist or to guarantee money or donate to charitable, benevolent, patriotic, religious, scientific, national, or other institutions or objects, which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or a public and general utility or otherwise.
31. To adopt such means of making known the business of the Company as may seem expedient, and in particular by advertising in the press, by circulars, by purchase and exhibition of works of art or interest, by publication of books and periodicals, and by granting prizes, rewards and donations.
32. To aid pecuniary or otherwise any association, body or movement having for its object the solution, settlement, or surmounting of industrial or labour problems or troubles, or the promotion of industry or trade.
33. To remunerate the employees of the Company and others, out of and in proportion to the profits of the Company, or otherwise apply, as the Company may from time to time think fit, and subject to applicable law, from any moneys received by way of premium on shares or debentures issued at a premium by the Company, and any moneys received in respect of forfeited shares, and also any moneys arising from the sale by the Company of forfeited shares.
34. To distribute any of the property of the Company amongst the members in specie or in kind in the event of winding up subject to the provisions of the Companies Act, 1956/ Companies Act, 2013 / Insolvency and Bankruptcy Code, 2016.
35. To remunerate or make donations to (by cash or other assets, or by the allotment of fully or partly paid shares, or by a call or option on shares, debentures, debenture-stock, or securities, of this or any other Company, or in any other manner, whether out of the Company's capital, or profits, or otherwise) any person or persons for services rendered or to be rendered in introducing any property or business to the Company, or in placing or assisting to place, or guaranteeing the subscription of any shares, debentures, debenture-stock or other securities of the Company for charitable, scientific, religious or benevolent, national, public general or other objects which the Company may think proper and to make such other donations as may be permissible under the law.

36. To procure the incorporation, registration or other recognition of the Company, in any country, State or place, outside India and to establish and regulate agencies for the purpose of the Company's business and to apply or join in applying to any Parliament, Local Government, Municipal or other authority or body, Indian or foreign, for any acts of Parliament, laws, decrees concessions, orders, rights or privileges, that may seem conducive to the Company's objects or any of them and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interests.
37. To conduct business in any part of the world and establish and maintain branches, offices and agencies either through a Subsidiary Company or Companies or otherwise at any place or places in India or other parts of the world for the conduct of the business of the Company or for the purpose of enabling the Company to carry on its business more efficiently and to exercise all or any of its corporate powers, rights and privileges and to conduct its business in all or any part of the world and to discontinue any such offices, branches or agencies and to maintain all relevant local registers.
38. To stand guarantors and be surety or answerable for the debts, or defaults of any person, Firm or Company arising on contracts for payment or repayment of moneys or loans or the fulfillment of any obligations or performances by any such Person, Firm or Company, and to enter into contracts of indemnity or guarantee with such terms and conditions as may seem necessary or expedient for effecting the same.
39. To do the above things as principals, agents, contractors, trustees or otherwise and by or through trustees, agents or otherwise, and either along or in conjunction with others.
40. To pay for any property or rights acquired by the Company, either in cash or fully or partly paid shares or by the issue of securities, or partly in one mode and partly in another and generally on such terms as may be determined.
41. To sell, mortgage, exchange, lease, grant licenses, easements and other rights over, improve, manage, develop and turn to account and in any other manner deal with or dispose of the undertaking, investments, property, assets, rights and effects of the Company or any part thereof for such consideration as may be thought fit, including any stocks, shares or securities, of any other Company, whether partly or fully paid up.
42. To apply for and promote any Act of any legislature, or order or other legislative or legal sanction, either in India or anywhere else in the world, and to take all necessary or proper steps in Parliament or with the authorities, national, local, municipal or otherwise, of any place in which the Company may have interest, and to carry on any negotiations or operations for enabling the Company to carry any of its objects into effect, or for effecting any modification of the Company's constitution or for any purposes deemed beneficial to the Company or likely directly or indirectly to promote the interest of the Company or its members; and to oppose any steps taken by any authority, Company, firm or person which may be considered likely directly or indirectly to prejudice the interest of the Company or its members.
43. To encourage, promote and reward studies, research, experiments, tests and investigations of any kind, nature and description that may be considered likely to assist any of the businesses which the Company is authorized to carry on and further to acquire, preserve or disseminate information in connection with trade, commerce and industry, which the Company is, for the time being engaged in.
44. Subject to the provisions of the Companies Act, 2013, to give any class or section of those who have dealings with the Company any rights over or in relation to any fund or funds, or a right to participate in the profits of the Company or in the profits of any particular branch or part of the business, or any other special privileges, advantages or benefits.
45. To acquire, purchase, takeover and /or amalgamate business or undertakings of Companies or Firms which under existing circumstances, from time to time, may conveniently or advantageously be combined with the business of the Company, to amalgamate or merge with Companies whose business are so acquired, purchased or taken over and/or to enter into any agreement with the object of acquisition of such undertaking and/or business.
46. To enter into partnership or into any arrangement for joint ventures in business for sharing profits, union of interest, lease, license or otherwise, reciprocal concession or cooperate with any Person, Firm or Company or to amalgamate with or acquire any Person, Firm or Company carrying on or proposing to

carry on any business having objects altogether or in part similar to those of the Company, or to sell, exchange, lease, surrender, abandon, amalgamate, subdivide, mortgage, reconstruct, restructure, demerge or otherwise deal with either absolutely, conditionally or for any limited interest, all or any part of the undertaking, property, rights or privileges of the Company, as a going concern or otherwise, with any Public Body, Corporation, Company, Society or Association or to any Persons, for such consideration as the Company may think fit and, in particular, for any stock, shares, debentures, debenture-stock, securities or properties of any other Company, which the Company would or might derive any benefit, whether direct or indirect.

47. To undertake, carry out, promote, sponsor or assist directly or in any other manner any activity any agribusiness or other programs including any program for promoting the social and economic development and welfare of or the upliftment of the people in any area.
48. To undertake, carry out, promote, sponsor or assist directly or in any other manner any activity for the promotion and growth of the national economy and national welfare through increased productivity, effective utilization of material and manpower resources and continued application of modern scientific and managerial techniques in keeping with the national aspirations and to discharge what the Directors consider to be the social and moral responsibilities of the Company to the consumers, employees, shareholders, society and local community.
49. To train or pay for the training in India or abroad of any of the Company's employees or to recruit and employ Indian or foreign experts in the interest of or in furtherance of the objects of the Company.
50. To grant employee stock options, sweat equity, restricted stock units in accordance with the provisions of the Companies Act, 2013 and rules made there under and as may be permitted by the Securities and Exchange Board of India or Reserve Bank of India, as the case may be.
51. To indemnify officers, Directors, promoters and/or servants or employees of the Company against the proceedings, costs, charges, interests, damages, claims and demands, in respect of anything done, or ordered to be done, for and in the interests of the Company, or for any loss or damages or misfortunes whatsoever which occurred in the execution of the duties of their office or relation thereto.
52. To refer or agree to refer any claim, demand, dispute or any other question by or against the Company or in which the Company is interested or concerned to arbitration and to observe and perform and do all acts, matters and things necessary to carry out or appeal against or enforce the awards, and to institute, conduct, defend, compound or abandon any legal or other proceedings by or against the Company and to compound and allow time for payment or satisfaction of any debts due, or of any claims or demands against the Company and to appoint advocates, consultants and advisors in this connection.
53. To insure any of the property, undertakings, contracts, risks or obligations of the Company and / or its sub-contractors in any manner whatsoever.
54. To carry and engage in the business of providing consultative and technical services relating to the business of the Company or related business or any other business or activity, by way of market survey, preparing feasibility and project reports, and to enter into any arrangements of licensing, chartering, brokerage, technical business or financial collaboration with any other party or concern, for singular or mutual benefit or acquiring or disseminating, by license or otherwise, know-how whether existing or newly developed techniques, including any rights or special methods and trade secrets.
55. To provide for and furnish or secure to any member or customer of the Company, any convenience, advantage, benefit or special privilege, as may be legally permissible and which may seem expedient or necessary, either gratuitously or otherwise.
56. To form, constitute, promote, register, incorporate, recognize, subsidise, organize, manage and assist or procure or aid in the formation, constitution, promotion, registration, incorporation, recognition, subsidization, organization and assistance, or aiding any Company or Body Companies of all kinds, under the laws or regulations in India and abroad, or setting up of concerns and undertakings whether as Company, Body Corporate, Partnership or any other Association of Persons, either as a subsidiary or otherwise, for engaging in any business whether arising from any contractual arrangement or otherwise, including enforcement of security or other similar arrangements, for the purpose of

acquiring all or any of the property, rights and liabilities of the Company, or for engaging in any business and to pay out of the funds of the Company all or any expenses which the Company may lawfully pay for services rendered for formation and registration of any other Company by it and for preliminary expenses including all or any part of the costs and expenses of owners of any business or property acquired by the Company or for carrying on any business which the Company is authorised to carry on or for any other purposes which may seem directly or indirectly calculated to benefit the Company or to promote or advance the interests of the Company and to appoint and remunerate any Directors, Trustees, Accountants or other experts.

- 57 To take part in the management, supervision, organization or control of the business or operations of any Company, Association, Firm or Person and to act as agents, selling agents, buying agents, brokers, trustees or other officers or agents of any other Company, Association, Firm or Person, and for that purpose, to appoint and remunerate any Directors, Managers, Trustees, Accountants or other experts or agents or any other employees of any Company in which the Company is or may be interested.
- d) The existing Clause III(C), Other Objects be deleted entirely.
- e) The existing Clause IV be re-numbered as '5th' Clause.
- f) The existing Clause V be substituted with the new clause, to be read as **"4th The liability of the member(s) is limited, and this liability is limited to the amount unpaid, if any, on the shares held by them."**

RESOLVED FURTHER THAT any of the Directors of the Company, the Chief Executive Officer, the Chief Financial Officer and the Company Secretary be and are hereby severally authorized to do all such acts, deeds and things as may be required for giving effect to this Resolution and to settle all questions, difficulties or doubts that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution."

8. To alter / adopt the new set of Articles of Association of the Company:

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

"RESOLVED THAT pursuant to the provisions of Section 5 and 14 and all other applicable provisions of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force), the consent of the Members of the Company be and is hereby accorded for adoption of new set of Articles of Association as prescribed under Table F, Schedule - I of the Companies Act, 2013, a copy of which is placed on the website of the Company / placed before the meeting, for the purpose of identification, in place of and in substitution of existing of Articles of Association.

RESOLVED FURTHER THAT any of the Directors of the Company, the Chief Executive Officer, the Chief Financial Officer and the Company Secretary be and are hereby severally authorized to do all such acts, deeds and things as may be required for giving effect to this Resolution and to settle all questions, difficulties or doubts that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution."

9. To approve the Sale of Undertaking of the Company:

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

"RESOLVED THAT pursuant to Section 180(1)(a) and all other applicable provisions, if any, of the Companies Act, 2013 and applicable rules thereunder, Regulation 37A and other applicable provisions, if any, of the SEBI (Listing Obligations & Disclosure Requirements), 2015 and other applicable laws for the time being in force, the Memorandum of Association and Articles of Association of the Company and subject to such other approvals, consents, permissions and sanctions as may be deemed necessary and in terms of approval of the Board of Directors of the Company, the consent of the members, be and is hereby accorded to the Board of Directors of the Company (the expression "Board of Directors" shall also include a Committee of Directors constituted and authorized for purposes mentioned hereof, if any) to enter into a Business Transfer Agreement for selling, transferring or otherwise disposing of the whole of the 'Nagpur Division' of the Company (Undertaking) to Tata Projects Limited (Purchaser/ TPL), Holding Company, as a going concern by way of a slump sale as defined under section 50B of the Income tax Act, 1961 ("IT Act"), at

a lumpsum consideration of ₹ 22.60 Crores subject to working capital adjustments and such terms and conditions specified in the Business Transfer Agreement and other agreements and documents executed or to be executed by the Company and the Purchaser and the Company has obtained valuation report from Mr. Harsh Chandrakant Ruparelia, Registered Valuer (Securities or Financial Assets), in this regard.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do and perform or cause to be done all such acts, deeds, matters and things, including actions which may have been taken, as may be necessary, or deemed necessary or incidental thereto, to give effect to the aforesaid resolution and the sale and transfer of the Nagpur Division, including to (i) to finalize, vary and settle the terms and conditions of the sale and transfer of the transactions mentioned above; (ii) settle and finalise all issues that may arise in this regard, without further referring to the members of the Company; (iii) to negotiate, modify and finalize the business transfer agreement, transition services agreement, escrow agreement, conveyance deeds, and/ or any other ancillary transaction documents (including providing such representations, warranties, indemnities and covenants and agreeing to price adjustments as may be agreed); (iv) to execute, deliver and perform such business transfer agreement, transition services agreement, escrow agreement, conveyance deeds, other contracts, deeds, undertakings and other documents and subsequent modifications thereto, as applicable; (v) to file applications and make representations to seek the requisite approvals in respect thereof from the relevant government authorities and third parties, including lenders, lessors and customers of the Company, as applicable; (vi) to take all necessary steps in the matter as it may in its absolute discretion and in the best interests of the Company deem necessary, desirable or expedient, to give effect to the above resolution; and (vii) to ratify the Business Transfer Agreement, and any other agreements negotiated and finalized by the Board.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred severally to any Committee of the Board or any Director(s) or the Chief Financial Officer or the Company Secretary of the Company and to generally do and perform all such acts, deeds, matters and things as it may, in their absolute discretion, deem fit, necessary, proper or desirable and seek the requisite approvals, consents and permissions as may be applicable.”

10. To approve the material Related Party Transaction with Tata Projects Limited:

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

“RESOLVED THAT pursuant to the provisions of Section 188(1) and all other relevant provisions of the Companies Act, 2013 (Act), if any, and Rule 15(3)(a)(ii) of the Companies (Meetings of Board and its Powers) Rules, 2014, the Memorandum and Articles of Association of the Company and other applicable statutory provisions and regulations, if any, as amended from time to time including any statutory modification(s) or re-enactment(s) thereof, basis the approval and recommendation of the Audit Committee and the Board of Directors of the Company and subject to such approvals, consents, sanctions and permissions as may be necessary, the approval of the members of the Company be and is hereby accorded to enter into a Business Transfer Agreement for selling, transferring or otherwise disposing of the whole of the ‘Nagpur Division’ of the Company (Undertaking) to Tata Projects Limited (Purchaser/ TPL), Holding Company and a related party of the Company as per Section 2(76) of the Act read with Regulation 2(1)(zb) of the Listing Regulations, as a going concern by way of a slump sale as defined under section 50B of the Income tax Act, 1961 (“IT Act”), at a lumpsum consideration of ₹ 22.60 Crores subject to working capital adjustments and such terms and conditions specified in the Business Transfer Agreement and other agreements and documents executed or to be executed by the Company and the Purchaser, and the Company has obtained valuation report from Mr. Harsh Chandrakant Ruparelia, Registered Valuer (Securities or Financial Assets), in this regard.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do and perform or cause to be done all such acts, deeds, matters and things, including actions which may have been taken, as may be necessary, or deemed necessary or incidental thereto, to give effect to the aforesaid resolution and the sale and transfer of the Nagpur Division, including to (i) to finalize, vary and settle the terms and conditions of the sale and transfer of the transactions mentioned above; (ii) settle and finalise all issues that may arise in this regard, without further referring to the members of the Company; (iii) to negotiate, modify and finalize necessary documents including the business transfer agreement, transition services agreement, escrow agreement, conveyance deeds, and/or any other ancillary transaction documents (including providing such representations, warranties, indemnities and covenants and agreeing to price adjustments as may be agreed); (iv) to execute, deliver and perform such business transfer agreement, transition services agreement, escrow agreement, conveyance deeds, other contracts, deeds, undertakings and other documents and subsequent modifications thereto, as applicable; (v) to file applications and make representations to

seek the requisite approvals in respect thereof from the relevant government authorities and third parties, including lenders, lessors and customers of the Company, as applicable; (vi) to take all necessary steps in the matter as it may in its absolute discretion and in the best interests of the Company deem necessary, desirable or expedient, to give effect to the above resolution; and (vii) to ratify the Business Transfer Agreement, and any other agreements negotiated and finalized by the Board.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred severally to any Committee of the Board or any Director(s) or the Chief Financial Officer or the Company Secretary of the Company and to generally do and perform all such acts, deeds, matters and things as it may, in their absolute discretion, deem fit, necessary, proper or desirable and seek the requisite approvals, consents and permissions as may be applicable.”

11. To ratify the remuneration payable to Cost Auditors for the financial year 2024-25.

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act 2013 (including any statutory modification or re-enactment thereof for the time being in force) and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the remuneration of ₹1,25,000/- (Rupees One Lakh Twenty-Five Thousand only), plus applicable taxes and actual out-of-pocket expenses incurred in connection with the audit, payable to M/s. Sagar & Associates, Cost Accountants (Firm Registration No. 000118), who were appointed as the Cost Auditors to conduct the audit of cost records maintained by the Company for the financial year 2024-25.

RESOLVED FURTHER THAT any of the Directors of the Company, the Chief Executive Officer, the Chief Financial Officer and the Company Secretary be and are hereby severally authorized to do all such acts, deeds and things and take all such steps, as may be necessary to give effect to this Resolution.”

12. To enter into Related Party Transactions (RPTs) with Tata Projects Limited (TPL)

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** in supersession of the earlier resolution passed at the 44th Annual General Meeting of the Company held on 17th August 2023, and pursuant to the provisions of Section 188 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, consent of the Company be and is hereby accorded to the Board of Directors (or any Committee/s thereof), to enter into contracts / arrangements / transactions with Tata Projects Limited (TPL), the Company’s Holding Company and a ‘Related Party’ as defined under Section 2(76) of the Companies Act, 2013, in manner and for the maximum amounts, as mentioned below to be valid from the period commencing from the date of this AGM up to the date of AGM to be held in the year 2025:

S. No.	Category	Amount/s
1	Sale, purchase or supply of any goods or materials, directly or through appointment of agents and/ or availing or rendering of any services, including loans, credit facilities, directly or through appointment of agents	₹ 300 Crore
2	Selling or otherwise disposing of or buying property of any kind and rent/ leasing of property of any kind.	₹ 20 Crore
Total		₹ 320 Crore

RESOLVED FURTHER THAT any of the Directors of the Company, the Chief Executive Officer, the Chief Financial Officer and the Company Secretary be and are hereby severally authorized to do or cause to be done all such acts, deeds and things, settle any queries, difficulties, doubts that may arise with regard to any transactions with the related party, finalise the terms and conditions as may be considered necessary, expedient or desirable and execute such agreements, documents and writings and to make such filings as may be necessary or desirable, in order to give effect to this resolution.”

**NOTES:**

1. The Ministry of Corporate Affairs ("MCA") inter-alia vide its General Circular Nos. 14/ 2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, followed by General Circular Nos. 20/2020 dated May 5, 2020, and subsequent circulars issued in similar regard, the latest being 09/2023 dated September 25, 2023 (collectively referred to as "MCA Circulars") has permitted the holding of the Annual General Meeting (AGM) through Video Conferencing ("VC") or through other audiovisual means ("OAVM"), without the physical presence of the members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("the Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and MCA Circulars, the 45th Annual General Meeting ("Meeting" or "AGM") of the Company is scheduled to be held through VC / OAVM on Wednesday, 18th September 2024, at 15:30 Hrs. (IST). The voting for items to be transacted in the notice of this AGM is only through remote electronic voting process ("e-Voting"). The proceedings of the AGM are deemed to be conducted at the Registered Office of the Company situated at 2nd Floor, One Boulevard, Lake Boulevard Road, Hiranandani Business Park, Powai, Mumbai 400 076, Maharashtra.
2. As per the provisions of Clause 3.A. of the General Circular No. 20/ 2020 dated 5th May 2020, and the subsequent circulars on the subject, the matters of Special Business as appearing at Item Nos. 3 to 12 of the accompanying Notice, are considered unavoidable by the Board and hence, form part of this Notice.
3. The relative Explanatory Statement pursuant to Section 102 of the Act, in regard to the business as set out in Item Nos. 3 to 12 above and other details as required to be given is annexed.
4. PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/ HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC/ OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS AND THE SEBI CIRCULAR, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE, THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP TO THE VENUE OF AGM ARE NOT ANNEXED TO THIS NOTICE. HOWEVER, THE BODY CORPORATES ARE ENTITLED TO APPOINT AUTHORISED REPRESENTATIVES TO ATTEND THE AGM THROUGH VC/OAVM AND PARTICIPATE THEREAT AND CAST THEIR VOTES THROUGH E-VOTING.
5. Institutional Investors, who are Members of the Company, are encouraged to attend and vote at the AGM through VC/ OAVM facility. Corporate Members intending to appoint their authorized representatives to attend the AGM through VC or OAVM and to vote thereat through remote e-Voting are requested to send a certified copy of the Board Resolution to the Scrutinizers by e-mail at vnp.scrutinizer@gmail.com with a copy marked to evoting@nsdl.com and investors@artson.net
6. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names, will be entitled to vote.
7. The attendance of the members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
8. The Members can join the AGM through VC/OAVM mode 30 minutes before and 15 minutes after the scheduled time of the commencement of the AGM by following the procedure mentioned in the notice. The Members will be able to view the proceedings on National Securities Depository Limited's ("NSDL") e-Voting website at www.evoting.nsdl.com. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 Members on a first come first served basis as per the MCA Circulars. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
9. In line with the aforesaid MCA Circulars and SEBI Circulars, the notice of AGM along with the Annual Report is being sent through electronic mode to those Members who have registered their email IDs with the Company or the Registrar and Transfer Agent or the Depositories or the Depository Participants as of Friday, 16th August 2024 and physical copies to those who request for the same.

10. The notice convening the AGM and the Annual Report for FY 2023-24 has been uploaded on the website of the Company at www.artson.net and may also be accessed from the relevant section of the websites of the Stock Exchange i.e., BSE Limited ("BSE") at www.bseindia.com and the website of NSDL at www.evoting.nsdl.com
11. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 12th September 2024 to Wednesday, 18th September 2024, both days inclusive.
12. Members may please note that SEBI vide its Circular No. SEBI / HO / MIRSD / MIRSD_RTAMB / P / CIR / 2022 / 8 dated January 25, 2022 has mandated the Listed Companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR - 4, the format of which is available on the Company's website and on the website of the Company's Registrar and Transfer Agents, Link Intime Private Limited ("Link Intime"). It may be noted that any service request can be processed only after the folio is KYC Compliant.
13. SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or Link Intime, for assistance in this regard.
14. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, PAN, registering of nomination and power of attorney, Bank mandate details such as name of the Bank and branch details, bank account number, MICR code, IFSC code, etc., to their DP in case the shares are held in electronic form, and to the RTA in case the shares are held in physical form.
15. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified from time to time.
16. Shareholders are requested to address all communications relating to the shares and related matters to the Company's RTA at the address provided below:

M/s. Link Intime (India) Private Limited

(Unit: Artson Engineering Limited)

C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai-400083, Maharashtra

Tel No: +91 22 4918 6000; Fax: +91 22 4918 6060

Email ID: rnt.helpdesk@linkintime.co.in

Website: www.linkintime.co.in

17. Shareholders are requested to note that 'SWAYAM' is a secure, user-friendly web-based application, developed by "Link Intime India Pvt Ltd.", our Registrar and Share Transfer Agents, that empowers shareholders to effortlessly access various services. We request you to get registered and have first-hand experience of the portal.

This application can be accessed at <https://swayam.linkintime.co.in>

- Effective Resolution of Service Request -Generate and Track Service Requests/Complaints through SWAYAM.
- Features - A user-friendly GUI.
- Track Corporate Actions like Dividend/Interest/Bonus/split.
- PAN-based investments - Provides access to linked PAN accounts, Company wise holdings and security valuations.
- Effortlessly Raise request for Unpaid Amounts.
- Self-service portal – for securities held in demat mode and physical securities, whose folios are KYC compliant.
- Statements - View entire holdings and status of corporate benefits.

Two-factor authentication (2FA) at Login - Enhances security for investors.



18. SEBI vide Circular dated 31st July 2023, read with Master Circular dated 28th December 2023, has established a common Online Dispute Resolution Portal ('ODR Portal') for resolution of disputes arising in the Indian Securities Market. Pursuant to above circulars post exhausting the option to resolve their grievances with the RTA / Company, directly and through existing SCORES platform, the investors can now initiate dispute resolution through the ODR Portal at <https://smartodr.in/login>.
19. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members, who have not yet registered their nomination, are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website www.artson.net (under 'Investor Relations' section). Members are requested to submit the said form to their DP in case the shares are held in electronic form and to the RTA in case the shares are held in physical form.
20. The format of the Register of Members prescribed by the MCA under the Act, requires the Company/ RTA to record additional details of Members, including their PAN details, e-mail address, bank details for payment of dividend etc. A form for capturing additional details is available on the Company's website www.artson.net (under 'Investor Relations' section). Members holding shares in physical form are requested to submit the filled in form to the Company or RTA in physical mode, as per instructions mentioned in the form. Members holding shares in electronic form are requested to submit the details to their respective DP only and not to the Company or RTA.
21. Members holding shares in physical form, in identical order of names, in more than one folio, are requested to send to the Company or RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
22. Members desiring inspection of statutory registers during the AGM may send their advance request in writing to the Company at investors@artson.net
23. Members who wish to inspect the relevant documents referred to in the notice can send an e-mail to investors@artson.net up to the date of the AGM.
24. This AGM Notice is sent by e-mail to the Members who have registered their e-mail address with the Depositories/the DP/the Company's RTA/the Company, on or before 17:00 Hrs. (IST) on Friday, 16th August 2024.
25. To facilitate Members to receive this notice electronically and cast their vote electronically, the Company has made arrangement with NSDL for registration of e-mail addresses in terms of the MCA Circulars. Eligible Members who have not submitted their e-mail address were requested to provide their e-mail address to the RTA/ NSDL. The Company has intimated its shareholders about updating the email IDs through its website www.artson.net and through the website of BSE Limited www.bseindia.com
26. After successful submission of the e-mail address, NSDL will e-mail a copy of the Annual Report for FY 2023-24 along with the remote e-Voting user ID and password, within 48 hours of successful registration of the e-mail address by the Member. In case of any queries, Members may write to investors@artson.net or evoting@nsdl.com
27. For permanent registration of e-mail address, Members are requested to register their e-mail address, in respect of electronic holdings, with their concerned DP and in respect of physical holdings, with the RTA.
28. Those Members who have already registered their e-mail addresses are requested to keep their e-mail addresses validated with their DP/ RTA to enable servicing of notices/ documents/ Annual Reports and other communications electronically to their e-mail address in future.
29. Process and manner for Members opting for e-Voting is, as under:
 - I. In compliance with the provisions of Sections 108 and other applicable provisions of the Act, read with Rule 20 of the Rules and Regulation 44 of the Listing Regulations, the Company is offering only e-Voting facility to all the Members of the Company and the business will be transacted only through the electronic voting system. The Company has engaged the services of NSDL for facilitating e-Voting to enable the Members to cast their votes electronically as well as for e-Voting during the AGM. Resolution(s) passed by Members through e-Voting is/are deemed to have been passed as if it/they have been passed at the AGM.
 - II. Members are provided with the facility for voting through Voting system during the VC/OAVM proceedings at the AGM and Members participating at the AGM, who have not already cast their vote by remote e-Voting, are eligible to exercise their right to vote at the AGM.

- III. Members who have already cast their vote by remote e-Voting prior to the AGM will also be eligible to participate at the AGM but shall not be entitled to cast their vote again on such resolution(s) for which the Member has already cast the vote through remote e-Voting.
- IV. **Members of the Company holding shares either in physical form or electronic form as on the cut-off date i.e., Thursday, 12th September 2024, may cast their vote by remote e-Voting. The remote e-Voting period commences on Sunday, 15th September 2024 at 9:00 Hrs. (IST) and ends on Tuesday, 17th September 2024 at 17:00 Hrs. (IST). The remote e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.**

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

- I. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of “VC/OAVM link” placed under “Join General Meeting” menu against Company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company (130009) will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
- II. Members may join the AGM through laptops, smartphones, tablets and iPads for better experience. Further, Members will be required to use Internet with a good speed to avoid any disturbance during the Meeting. Members will need the latest version of Chrome, MS Edge or Firefox. Please note that participants connecting from mobile devices or tablets or through laptops connecting via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is, therefore, recommended to use stable Wi-Fi or LAN connection to mitigate any glitches.
- III. Members are encouraged to submit their questions in advance with regard to the financial statements or any other matter to be placed at the AGM, from their registered e-mail address, mentioning their name, DP ID and Client ID number/folio number and mobile number, to reach the Company’s e-mail address at investors@artson.net before 17:00 Hrs. (IST) on Sunday, 15th September 2024. Queries that remain unanswered at the AGM will be appropriately responded by the Company at the earliest post the conclusion of the AGM.
- IV. Members who would like to express their views/ask questions as a speaker at the AGM may pre-register themselves by sending a request from their registered e-mail address mentioning their names, DP ID and Client ID/ folio number, PAN and mobile number to investors@artson.net between Friday 13th September 2024 (09:00 Hrs. IST) to Sunday, 15th September 2024 (17:00 Hrs. IST). Only those Members who have pre-registered themselves as speakers will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
- V. Members facing any technical issue in login before / during the AGM can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call on: 022 4886 7000.

The instructions for Members for e-Voting are as under:

The remote e-voting period begins on Sunday, 15th September 2024 at 09:00 Hrs. (IST) and ends on Tuesday, 17th September 2024 at 17:00 Hrs. (IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e., Thursday, 12th September 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Thursday, 12th September 2024.

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system

In terms of SEBI circular dated 9th December 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

**A. Login method for Individual shareholders holding securities in demat mode is given below:**

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none">Existing IDEAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDEAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on Company name or e-Voting service provider i.e., NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.If you are not registered for IDEAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDEAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jspVisit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e., your Sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or e-Voting service provider i.e., NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.

NSDL Mobile App is available on



Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e., NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi / Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e., NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on Company name or e-Voting service provider i.e., NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e., NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login before / during the AGM can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call on: 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B. Login method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a personal computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.



Alternatively, if you are registered for NSDL eservices i.e., IDEAS, you can log-in at <https://eservices.nsd.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e., cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e., Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example if EVEN is 130009 and folio number is 001*** then user ID is 130009001*****.

5. Your password details (shareholders other than Individual shareholders) are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e., a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digits client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
- a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsd.com.
 - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsd.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

1. After successful login at Step 1, you will be able to see all the Companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of Company (130009) to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizers by e-mail to vnp.scrutinizer@gmail.com with a copy marked to evoting@nsdl.com and investors@artson.net. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to NSDL helpdesk at evoting@nsdl.com.

Process for those shareholders whose email IDs are not registered with the depositories for procuring user ID and password and registration of e-mail IDs for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), Aadhar (self-attested scanned copy of Aadhar Card) by email to investors@artson.net
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investors@artson.net . If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A).
3. Alternatively shareholder/Members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated 9th December 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
 2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
 3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
 4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.
30. The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e., Thursday, 12th September 2024.
31. Any person who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the cut-off date i.e., Thursday, 12th September 2024, may obtain the login ID and password by sending a request at evoting@nsdl.com or the Company/RTA.
32. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date i.e., Thursday, 12th September 2024 only shall be entitled to avail the facility of remote e-Voting, as well as voting at the meeting.
33. The Board of Directors have appointed VYV & Co. LLP, Company Secretaries (FRN. L2023MH014500; LLPIN - ACB - 6525) as the Scrutinizers to Scrutinize the voting at the AGM and remote e-Voting process, in a fair and transparent manner.
34. The Chairman shall, at the AGM, allow voting, by use of remote e-Voting system for all those Members who are present during the AGM through VC/OAVM but have not cast their votes by availing the remote e-Voting facility. The remote e-Voting module during the AGM shall be disabled by NSDL for voting 15 minutes after the conclusion of the Meeting.
35. The Scrutinizers shall, after the conclusion of voting at the AGM, first count the votes cast during the AGM and, thereafter, unblock the votes cast through remote e-Voting and shall make, not later than 48 hours from the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.
36. The Results declared, along with the Scrutinizer's Report, shall be placed on the Company's website www.artson.net and on the website of NSDL www.evoting.nsdl.com, immediately after the declaration of the result by the Chairman or a person authorised by him in writing. The results shall also be immediately forwarded to the Stock Exchanges where the Company's Equity Shares are listed viz. BSE and be made available on the website viz. www.bseindia.com

Registered Office

2nd Floor, One Boulevard, Lake Boulevard Road,
Hiranandani Business Park, Powai, Mumbai - 400076, Maharashtra
Phone No: +91 40 6601 8194; Email: investors@artson.net
CIN: L27290MH1978PLC020644; Website: www.artson.net

Date: 12th August 2024
Place: Mumbai

By Order of the Board
For **Artson Engineering Limited**

Vinayak Pai
Chairman
DIN: 03637894

EXPLANATORY STATEMENT

As required under Section 102 of the Act, the following explanatory statement sets out all material facts relating to the businesses as mentioned in the item nos. 3 to 12 of the accompanying notice dated 12th August 2024.

Item No. 3: To appoint Mr. Ashish Kulkarni (DIN: 10551684) as Independent Director:

Pursuant to the provisions of Section 149, 150, 152, 161 (1) and Schedule IV of the Companies Act 2013 (Act) read with the corresponding Rules (including any statutory modifications or re-enactments thereof), SEBI (Listing Obligation and Disclosure Requirements) Regulations and the Articles of Association of the Company, and based on the recommendations of the Nomination and Remuneration Committee (NRC), the Board of Directors of the Company appointed Mr. Ashish Kulkarni (DIN: 10551684) (Retd. Rear Admiral) as Additional Director (Independent) with effect from 18th March 2024, for an initial term of Three (3) years subject to the approval of the members.

Mr. Ashish Kulkarni aged 58 years, is an experienced operations planner and executor, influential team building man with 36+ years of service with Indian Navy, championing operations, project Management and administrative / staff assignments. He completed MPhil & MSc (Defence and Strategic Studies) from Madras University; and MTech (Nuclear Engg. & Technology) from IIT Kanpur. Mr. Ashish Kulkarni was engaged with Navy Ship Repair Yard as Admiral Superintendent. Subsequently, he was engaged with Indigenous Construction of Conventional Submarines for four years as Director General.

Mr. Ashish Kulkarni is not disqualified from being appointed as Director in terms of Section 164 of the Act and has consented to be appointed as an Independent Director. Further, the Company has received a notice in writing under Section 160 of the Act from a member of the Company proposing the candidature of Mr. Ashish Kulkarni for the office of Independent Director of the Company.

The Board considers that his association would be of immense benefit to the Company, and it is desirable to avail his services as an Independent Director and therefore recommends the Ordinary Resolution as set out at item no. 3 of the notice of the AGM for approval of the members.

Except Mr. Ashish Kulkarni, being the appointee, none of the Directors and / or Key Managerial Personnel of the Company and / or their relatives are concerned or interested, financially or otherwise, in the resolution set out at item no. 3 of the accompanying notice of the AGM. Mr. Ashish Kulkarni is not related to any Director of the Company.

Item No. 4: To appoint Ms. Priya Kher (DIN: 10552950) as Independent Director:

Pursuant to the provisions of Section 149, 150, 152, 161 (1) and schedule IV of the Companies Act 2013 (Act) read with the corresponding Rules (including any statutory modifications or re-enactments thereof), SEBI (Listing Obligation and Disclosure Requirements) Regulations and the Articles of Association of the Company, and based on the recommendations of the Nomination and Remuneration Committee (NRC), the Board of Directors of the Company appointed Ms. Priya Kher (DIN: 10552950) as Additional Director (Independent) with effect from 18th March 2024, for an initial term of Three (3) years subject to the approval of the members.

Ms. Priya Kher is a seasoned learning and performance consultant with a career spanning over 28 years. She holds a master's degree in counselling psychology from Adler University in Chicago, USA and is an ICF Associate Certified Coach, certified by Erikson College International. Ms. Priya Kher was engaged with Symbiosis Centre for Management and HRD wherein the highest position she held was Head - Corporate Training. presently, Ms. Priya Kher is the Director of Collective Quest since 2010.

Ms. Priya Kher is not disqualified from being appointed as Director in terms of Section 164 of the Act and has consented to be appointed as an Independent Director. Further, the Company has received a notice in writing under Section 160 of the Act from a member of the Company proposing the candidature of Ms. Priya Kher for the office of Independent Director of the Company.

The Board considers that her association would be of immense benefit to the Company, and it is desirable to avail her services as an Independent Director and therefore recommends the Ordinary Resolution as set out at item no. 4 of the notice of the AGM for approval of the members.

Except Ms. Priya Kher, being the appointee, none of the Directors and / or Key Managerial Personnel of the Company and / or their relatives are concerned or interested, financially or otherwise, in the resolution set out at item no. 4 of the accompanying notice of the AGM. Ms. Priya Kher is not related to any Director of the Company.

**Item No. 5: To appoint Mr. Deepak Natarajan (DIN: 06805859) as Non-Executive Director:**

Pursuant to the provisions of Section 161 of the Companies Act 2013 read with the corresponding Rules (including any statutory modifications or re-enactments thereof), SEBI (Listing Obligation and Disclosure Requirements) Regulations and the Articles of Association of the Company, and based on the recommendations of the Nomination and Remuneration Committee (NRC), the Board of Directors of the Company appointed Mr. Deepak Natarajan (DIN: 06805859) as Additional Director (Non-Executive) with effect from 10th June 2024, who holds the office till the ensuing AGM.

Mr. Deepak Natarajan aged 44 years, is a Chartered Accountant and has more than 2 decades experience in the field of finance, expertise across various facets of finance - business finance, treasury, planning, risk management & controllership. Mr. Deepak Natarajan was engaged as CFO at Baker Hughes GE for India Region. Before that, he held various leadership positions at 3i Infotech Ltd, NCR Corporation India Pvt Ltd, Cable & Wireless India Private Limited, and Cisco Systems India Pvt Ltd. presently, Mr. Deepak Natarajan is the Chief Financial Officer and Key Managerial Personnel of Tata Projects Limited.

Mr. Deepak Natarajan is not disqualified from being appointed as Director in terms of Section 164 of the Act and has consented to be appointed as Director. Further, the Company has received a notice in writing under Section 160 of the Act from a member of the Company proposing the candidature of Mr. Deepak Natarajan for the office of Director of the Company. Therefore, it is proposed to appoint Mr. Deepak Natarajan as a Non-Executive Director w.e.f. 10th June 2024 liable to retire by rotation.

The Board considers that his association would be of immense benefit to the Company, and it is desirable to avail his services as a Non-Executive Director and therefore recommends the Ordinary Resolution as set out at item no. 5 of the notice of the AGM for approval of the members.

Except Mr. Deepak Natarajan, being the appointee, none of the Directors and / or Key Managerial Personnel of the Company and / or their relatives are concerned or interested, financially or otherwise, in the resolution set out at item no. 5 of the accompanying notice of the AGM. Mr. Deepak Natarajan is not related to any Director of the Company.

Additional Information:

Information pursuant to Para 1.2.5 of Secretarial Standard 2, pertaining to Director/ Manager seeking appointment/ re-appointment:

Name	Mr. Ashish Kulkarni	Ms. Priya Kher	Mr. Vinayak Pai	Mr. Deepak Natarajan
Designation	Independent Director (Non-Executive)	Independent Director (Non-Executive)	Chairman & Non-Executive Director	Non-Executive Director
Director Identification Number (DIN)	10551684	10552950	03637894	06805859
Date of Birth	3 rd January 1966 (Age: 58 Years)	22 nd September 1971 (Age: 52 Years)	19 th September 1966 (Age: 57 Years)	7 th October 1979 (Age: 44 Years)
Qualifications	<ul style="list-style-type: none"> BE (Mech) COEP. MTech (Nuclear Engg. & Technology) IIT Kanpur. MSc (Defence and Strategic Studies) Madras University. MPhil Madras University. 	<ul style="list-style-type: none"> ICF Accredited Coach Training Associate Certified Coach (Erickson Collage International) Master's in counselling psychology (Alder University, Chicago, USA) 	<ul style="list-style-type: none"> Electrical Engineer Postgraduate Degree in Management (Symbiosis, Pune) Executive MBA (IIT Bombay's Shailesh J Mehta School of Management) 	<ul style="list-style-type: none"> Chartered Accountant

Name	Mr. Ashish Kulkarni	Ms. Priya Kher	Mr. Vinayak Pai	Mr. Deepak Natarajan
Specialised Expertise	(Retd. Rear Admiral) 36+ years of service with Indian Navy.	Seasoned learning and performance consultant.	Extensive experience in executive upstream and downstream projects and successfully growing the business in highly competitive market.	Experience in the field of finance, with expertise across various facets of finance - business finance, treasury, planning, risk management & controllership.
Experience	Approx. 4 decades of overall experience.	Approx. 3 decades of overall experience.	Over 3 decades of overall experience.	Over 2 decades of overall experience.
Terms and Conditions of Appointment	Independent Director	Independent Director	Representative of Tata Projects Limited (Holding Company); Non-Executive Director	Representative of Tata Projects Limited (Holding Company); Non-Executive Director
Remuneration	Nil	Nil	Nil	Nil
Date of First Appointment on the Board	18 th March 2024	18 th March 2024	23 rd May 2022	10 th June 2024
Directorship in other Indian Companies	Nil	Nil	1) Tata Projects Limited 2) TQ Cert Services Pvt. Ltd. 3) TPL Services Pvt. Ltd.	1) TQ Cert Services Pvt. Ltd. 2) TPL Services Pvt. Ltd. 3) TP Luminaire Pvt. Ltd. 4) TCC Constructions Pvt. Ltd.
Positions in Committees of other Indian Companies	Nil	Nil	TPL - Chairman of FC and Member of CSR & ESG Committee, SAC, SRC.	Nil
Number of shares held in the Company	Nil	Nil	Nil	Nil
Relationship, if any, with other Directors, Manager and other KMP	Not related to any of the Directors and KMPs of the Company.	Not related to any of the Directors and KMPs of the Company.	Not related to any of the Directors and KMPs of the Company.	Not related to any of the Directors and KMPs of the Company.
Position/s in Committees constituted by the Board of the Company	Chairman of CSRC and Member of AC & PRC.	Chairperson of NRC and Member of SRC & EC.	Chairman of EC and Member of NRC.	Chairman of AC and Member of CSRC & PRC.
Number of Board Meetings attended	NA for FY 2023-24	NA for FY 2023-24	Attended (4) Board Meetings held during the FY 2023-24.	NA for FY 2023-24

* AC: Audit Committee; NRC: Nomination & Remuneration Committee; SRC: Stakeholders Relationship Committee; CSRC: Corporate Social Responsibility Committee; PRC: Project Review Committee; EC: Executive Committee; FC: Finance Committee; ESG: Environmental, Social & Governance Committee; and SAC: Securities Allotment Committee.

**Item No. 6: To approve change of name of the Company:**

The Board of Directors at their meeting held on 12th August 2024 considered and approved the proposal to change the name of the Company from Artson Engineering Limited to "Artson Limited", subject to availability from the MCA and approval of shareholders. With the execution of Brand Equity and Business Promotion (BEBP) Agreement with Tata Sons Private Limited, the Company is entitled to utilize the mark "A Tata Enterprise". Therefore, it is proposed to re-name and use it with the tag line viz., 'Artson Limited', A Tata Enterprise. This would mark a major milestone in the Company's journey.

In the event any name, other than 'Artson Limited' is made available by the MCA and acceptable to the Board / its authorized representatives, the name of the Company shall be changed to such other name (which is made available).

The Company has pivoted from engineering and is expanding well in manufacturing and fabrication segment along the tankages business. The proposed name would continue the strong legacy of the name Artson while rebranding and diversification. The word Artson continues to be inherent part of the name of the Company.

As per the provisions of Sections 13 of the Companies Act, 2014, approval of the shareholders is required to be accorded for changing the name of the Company and consequent alterations in the Memorandum of Association and Articles of Association by way of passing a Special Resolution. Accordingly, the Board of Directors of the Company at their meeting held on 12th August 2024, approved the proposal subject to the approval of the shareholders.

The proposed change of name of the Company would not result in change of the legal status or constitution or not because of operations or activities of the Company, nor would it affect any rights or obligations of the Company or the Members / stakeholders of the Company.

Accordingly, the Board of Directors recommends the resolution at item no. 6 of the notice for approval of the members by way of Special Resolution. None of the Directors and / or Key Managerial Personnel of the Company and / or their relatives are concerned or interested, financially or otherwise, in the resolution set out at item no. 6 of the accompanying notice of the AGM.

Item No. 7: To alter the Clauses of Memorandum of Association of the Company and their re-numbering:

The existing Memorandum of Association (MOA) of the Company is based on the erstwhile Companies Act, 1956, the Clauses of which require certain re-wording / alterations / deletion / re-numbering etc., to be in alignment with the Companies Act, 2013. Further, it is proposed to alter the main objects of the Company to be more detailed, comprehensive, and in consonance with the activities of the Company. In addition, the proposed alteration would facilitate future diversification, enlarge the scope of operations, and enable the Company to embark upon new projects which can be complimented and combined with the present activities of the Company.

Further, to align the existing MOA with Table A of the Schedule I of the Act and in accordance with Section 4 and 13 of the Act, it is proposed to merge Clause III (C) 'Other Objects' and Clause III (B) 'Objects Incidental or Ancillary to the attainment of the Main Objects' and rename Clause III (B) of the Object Cause as "3rd (b) Matters which are necessary for furtherance of the Objects specified in Clause 3rd(a)". This will result in the existing clause III(C) of the existing MOA to be deleted in its entirety.

The existing Clause IV is being re-numbered as '5th' Clause; and existing Clause V is being substituted with the new clause, to be read as "4th The liability of the member(s) is limited, and this liability is limited to the amount unpaid, if any, on the shares held by them."

Accordingly, the Board of Directors of the Company at their meeting held on 12th August 2024, approved the proposal to alter the Clauses of MOA and their re-numbering, as aforesaid, subject to the approval of the shareholders. The alterations are in compliance with the provisions of the Companies Act, 2013.

Copy of the proposed MOA of the Company is made available on the website of the Company www.artson.net

Accordingly, the Board of Directors recommends the resolution at item no. 7 of the notice for approval of the members by way of Special Resolution. None of the Directors and / or Key Managerial Personnel of the Company and / or their relatives are concerned or interested, financially or otherwise, in the resolution set out at item no. 7 of the accompanying notice of the AGM.

Item No. 8: To alter / adopt the new set of Articles of Association of the Company:

The existing Articles of Association (AOA) of the Company are based on the erstwhile Companies Act, 1956. Several regulations in the existing AOA are no longer in conformity with the Companies Act, 2013. Further, several articles of the existing AOA of the Company require alteration or deletion pursuant to changes in applicable laws. Therefore, the Board considers it appropriate and expedient to replace the existing AOA with new set of AOA in accordance with and to be consistent with the Table F of First Schedule of the Companies Act, 2013, instead of alterations at multiple places. The adoption of a new set of AOA is in compliance with the provisions of the Companies Act, 2013.

Accordingly, the Board of Directors of the Company at their meeting held on 12th August 2024, approved the proposal to adopt a new set of AOA in place of and in substitution of existing AOA, subject to the approval of the shareholders.

Copy of the proposed AOA of the Company is made available on the website of the Company www.artson.net

Accordingly, the Board of Directors recommends the resolution at item no. 8 of the notice for approval of the members by way of Special Resolution. None of the Directors and / or Key Managerial Personnel of the Company and / or their relatives are concerned or interested, financially or otherwise, in the resolution set out at item no. 8 of the accompanying notice of the AGM.

Item no 9: To approve the Sale of Undertaking of the Company:

Subject to the approval of the members of the Company, the Board of Directors recommends to sell, lease, transfer, assign or otherwise dispose-off the Nagpur Division of the Company, subject to such other approvals as may be required under Companies Act, 2013 (Act), SEBI (Listing Obligations & Disclosure Requirements), 2015 (Listing Regulations), other applicable laws and terms of the Business Transfer Agreement (BTA). The Nagpur Division of the Company is an “undertaking” in terms of Section 180(1)(a) of the Act read with Regulation 37A of the Listing Regulations.

The Company proposes to enter into a Business Transfer Agreement (BTA) with Tata Projects Limited (Holding Company/ Purchaser/ TPL) for transferring the Nagpur Division of the Company as a going concern by way of slump sale as defined under section 50B of the Income Tax Act, 1961 at a lumpsum consideration of Rs. 22.60 Crores subject to working capital adjustments and such other terms and conditions specified in the Business Transfer Agreement and other agreements and documents executed or to be executed by the Company and the purchaser and the Company has obtained valuation report from Mr. Harsh Chandrakant Ruparelia, Registered Valuer (Securities or Financial Assets) in this regard. The valuation report obtained in this regard is available on the website of the Company www.artson.net

As per the terms of the BTA, the Company will be transferring all assets and liabilities pertaining to the Nagpur Division, including defined undertaking assets, defined undertaking liabilities, defined employees, defined immovable assets, defined movable assets, defined undertaking contracts etc which relate to the Business.

In terms of Section 180(1)(a) of the Act, a Company cannot sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company without the consent of the shareholders by way of a Special Resolution at the general meeting of the Company. Explanation to Section 180(1)(a), the term ‘undertaking’ means an undertaking in which the investment of the Company exceeds 20% of its net worth as per the audited balance sheet of the preceding financial year or an undertaking which generates 20% of the total income of the Company during the previous financial year. Further, the expression ‘substantially the whole of the undertaking’ in any financial year shall mean 20% percent or more of the value of the undertaking as per the audited balance sheet of the preceding financial year. Further, in terms of Regulation 37A of Listing Regulations approval from majority of public shareholders who are not in any way interested in the transaction, directly or indirectly, would be required for the said transaction.

The proposed transfer / sale of Nagpur Division will tantamount to sale of the whole of the undertaking of the Company in terms of Section 180(1)(a) of the Act read with Regulation 37A of the Listing Regulations and shareholders are requested to approve the said transaction by way of Special Resolution.



The object of the aforesaid transaction is to generate liquidity for the Company which will be used for investment in capex, working capital, repayment of debt and other general corporate purposes as the Board may in its absolute discretion and in the best interest of the Company deem fit. On an overall basis, the sale is aimed at long term prosperity and sustainability for the Company.

The Board wishes to inform that the Company has already established a new 7-acre multi-model facility at Parli, bigger and modernized than Nagpur Unit, which is less than 50 kms from the upcoming Navi Mumbai Airport and less than 70 kms away from the prolific JNPT port. Being close to Mumbai, gives the Company the flexibility to address demand from Western zone with a lower cost of transportation, with added advantage of seaport proximity. This Unit commenced commercial production in February 2024 and is equipped to handle fabrication business.

Except for Mr. Vinayak Pai, Chairman, Non-Executive Director of Company being Common Director on the Board of both the Companies and Mr. Deepak Natarajan, Director of the Company being Chief Financial Officer (Key Managerial Personnel) of TPL, and their relatives, none of the other Directors and Key Managerial Personnel or their relatives are in any way, concerned or interested, financially or otherwise, in the said resolution except may be deemed to be concerned or interested in the proposed resolution to the extent of their shareholding in the Company. However, they do not hold any share/s in the Company.

The Board is of the opinion that the aforesaid proposal is in the best interest of the Company and accordingly the Board recommends the Special Resolution as set out in Item No. 9 of this Notice for approval of the Members.

Item no 10: To approve the material Related Party Transaction with Tata Projects Limited:

As per section 2(76) of the Companies Act, 2013 (Act), Tata Projects Limited, being Holding Company of the Company, qualify as related party to the Company.

The Company proposes to enter into a Business Transfer Agreement (BTA) with Tata Projects Limited (Holding Company/ Purchaser/ TPL) for transferring the Nagpur Division of the Company as a going concern by way of slump sale as defined under section 50B of the IT Act at a lumpsum consideration of Rs. 22.60 Crores subject to working capital adjustments and such terms and conditions specified in the Business Transfer Agreement and other agreements and documents executed or to be executed by the Company and the Purchaser and the Company has obtained valuation report from Mr. Harsh Chandrakant Ruparelia, Registered Valuer (Securities or Financial Assets) in this regard. The valuation report obtained in this regard is available on the website of the Company www.artson.net

As per section 177, 188 of the Act, the Companies (Meetings of Board and its Powers) Rules, 2014, the approval of Audit Committee, Board of Directors and Shareholder is required for related party transactions basis the nature and / or terms of contract / transaction involved.

Pursuant to the Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (Listing Regulations) compliance with the requirement of Regulation 23 is not applicable to the Company because, neither the paid-up share capital exceeds Rs. 10 Crore nor the net-worth exceeds Rs. 25 Crore as on the last day of previous financial year i.e., 31st March 2024.

Further, as per section 188(1)(b) of the Act read with Rule 15(3)(a)(ii) of the Companies (Meetings of Board and its Powers) Rules, 2014 require that any transaction entered into between related parties for selling or otherwise disposing of, or buying property of any kind, where the amount involved is equal to exceeds 10% of the net-worth of the Company, is to be approved by the members of the Company by way of passing an Ordinary Resolution except where the proposed related party transactions are in the ordinary course of business and at arm's length basis.

Since the proposed transaction could be construed as being outside the ordinary course of business of the Company and meets the thresholds prescribed under section 188 of the Act read with the Rules 15 of Companies (Meetings of Board and its Powers) Rules, 2014, the approval of the Members of the Company is being sought by way of Ordinary Resolution.

The proposed transaction has been approved by the Audit Committee and Board of Directors of the Company at their meeting held on 12th August 2024. In view of the Audit Committee, the aforesaid arrangement is being undertaken on an arm's length basis. The valuation of the Nagpur Divisions has been done by independent registered valuer i.e., Mr. Harsh Chandrakant Ruparelia, Registered Valuer (Securities or Financial Assets).

The details that are required to be given in the explanatory statement pursuant to Rule 15 of the Companies (Meetings of Board and its Powers) Rules 2014 are as under:

1	Name of the Related Party	Tata Projects Limited (TPL)
2	Name of the Director or KMP who is related, if any.	Mr. Vinayak Pai and Mr. Deepak Natarajan, Directors are related to TPL and are its representatives on the Company's Board of Directors.
3	Nature of relationship	Holding Company
4	Nature, material terms, monetary value and particulars of the contract or arrangement	Business Transfer Agreement for slump sale of Nagpur Division i.e., undertaking of the Company on a going concern basis to TPL, for a lump sum consideration of up to Rs. 22.60 Crores subject to working capital adjustment.
5	Any other information relevant or important for the members to take a decision on the proposed resolution.	All the important or relevant information have been provided in the explanatory statement

Except for Mr. Vinayak Pai, Chairman, Non-Executive Director of Company being Common Director on the Board of both the Companies and Mr. Deepak Natarajan, Director of the Company being Chief Financial Officer (Key Managerial Personnel) of TPL, and their relatives, none of the other Directors and Key Managerial Personnel or their relatives are in any way, concerned or interested, financially or otherwise, in the said resolution except may be deemed to be concerned or interested in the proposed resolution to the extent of their shareholding in the Company. However, they do not hold any share/s in the Company.

The Board is of the opinion that the aforesaid proposal is in the best interest of the Company and accordingly the Board recommends the Ordinary Resolution as set out in Item No. 10 of this Notice for approval of the Members.

Item No. 11: To ratify the remuneration payable to the Cost Auditors for the financial year 2024-25.

The Board of Directors of the Company, upon the recommendation of the Audit Committee, approved the appointment of M/s. Sagar & Associates, Cost Accountants, (FRN: 000118) Hyderabad, to conduct the audit of the cost records of the Company for the financial year 2024-25 at a remuneration of Rs. 1,25,000/- (Rupees One Lakh Twenty-Five Thousand only) plus applicable taxes and reimbursement of out-of-pocket expenses at actuals, incurred in connection with the audit.

In terms of the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is to be ratified by the members of the Company.

Accordingly, the Board of Directors recommends the resolution at item no. 11 of the notice for approval of the members by way of Ordinary Resolution. None of the Directors and / or Key Managerial Personnel of the Company and / or their relatives are concerned or interested, financially or otherwise, in the resolution set out at item no. 11 of the accompanying notice of the AGM.

Item No. 12: To enter into Related Party Transactions (RPTs) with Tata Projects Limited (TPL)

The Company, in the ordinary course of business, enters into transactions with Tata Projects Limited (TPL) for sale, purchase or supply of any goods or materials, directly or through appointment of agents and / or availing or rendering of any services including loans, credit facilities, directly or through appointment of agents; and selling or otherwise disposing of or buying property of any kind and rent / leasing of property of any kind.

TPL, the Company's Holding Company, is a related party within the meaning of Section 2 (76) of the Act. The transactions with TPL are likely to exceed the threshold limits provided in Rule 15 (3) of the Companies (Meetings of Board and its Powers) Rules, 2014 ['Rules'] under the respective category of related party transactions. Pursuant to the provisions of the said Rules, the Company can enter into transactions with related parties, exceeding the threshold limits, only with the consent of shareholders by way of an Ordinary Resolution.



In terms of Explanation (3) appended to Rule 15 (3) of the said Rules, the under-noted information is of relevance:

Particulars	Information	
Name of the Related Party	Tata Projects Limited (TPL)	
Name of Director(s) or Key Managerial Personnel who is related if any	Mr. Vinayak Pai and Mr. Deepak Natarajan, Directors are related to TPL and are its representatives on the Company's Board of Directors.	
Nature of Relationship	TPL is the Holding Company and the Promoter of the Company.	
Nature, Material terms the Contracts / arrangements / transactions	Sale, purchase or supply of any goods or materials, directly or through appointment of agents and / or availing or rendering of any services including loans, credit facilities, directly or through appointment of agents; and selling or otherwise disposing of or buying property of any kind and rent / leasing of property of any kind.	
Monetary Value (maximum amount each Financial Year)	Sale, purchase or supply of any goods or materials, directly or through appointment of agents and / or availing or rendering of any services including loans, credit facilities, directly or through appointment of agents.	Rs. 300 Crore
	Selling or otherwise disposing of or buying property of any kind and rent / leasing of property of any kind.	Rs. 20 Crore
	Total	Rs. 320 Crore
Whether the transactions have been approved by the Board of Directors	Yes, in the Board Meeting held on 23 rd April 2024.	
Any other information relevant or important for the members to decide on the proposed transactions	To be valid from period commencing from the date of this AGM up to the date of Annual General Meeting to be held in the year 2025.	

The value of the transactions proposed is estimated based on the Company's current transactions and future business projections. The Board believes that the transactions of Sale, purchase or supply of any goods or materials, directly or through appointment of agents and / or availing or rendering of any services including loans, credit facilities, directly or through appointment of agents; and selling or otherwise disposing of or buying property of any kind and rent / leasing of property of any kind with TPL are in the best interest of the Company.

Accordingly, the Board of Directors recommends the resolution at item no. 12 of the notice for approval of the members by way of Ordinary Resolution.

Mr. Vinayak Pai and Mr. Deepak Natarajan being the representatives of Holding Company, may be considered as related to Promoters and therefore may be deemed to be considered as interested or concerned. However, they do not hold any share/s in the Company.

Except the above, none of the Directors and / or Key Managerial Personnel of the Company and / or their relatives are concerned or interested, financially or otherwise, in the resolution set out at item no. 12 of the accompanying notice of the AGM.

Registered Office

2nd Floor, One Boulevard, Lake Boulevard Road,
Hiranandani Business Park, Powai, Mumbai - 400076, Maharashtra
Phone No: +91 40 6601 8194; Email: investors@artson.net
CIN: L27290MH1978PLC020644; Website: www.artson.net

By Order of the Board
For **Artson Engineering Limited**

Date: 12th August 2024
Place: Mumbai

Vinayak Pai
Chairman
DIN: 03637894

BOARD'S REPORT

To the Members,

The Board presents the 45th Annual Report of Artson Engineering Limited (the Company or AEL) along with the Audited Financial Statements for the year ended 31st March 2024.

1. FINANCIAL RESULTS

PARTICULARS	Amount (₹ in Lakhs)	
	2023-24	2022-23
Gross Turnover (including Other Income)	12877.55	13239.05
Profit / (Loss) before Interest and Depreciation (EBIDTA)	1463.98	(958.93)
Finance Charges	1029.87	1017.25
Depreciation and Amortization	203.73	121.06
Total Expenditure	12647.17	15336.29
Net Profit / (Loss) Before Tax (PBT)	230.38	(2097.24)
Less: Tax expense	(374.82)	253.57
Net Profit / (Loss) After Tax (PAT)	605.20	(2350.81)
Other Comprehensive Income	3.51	(0.15)
Total Comprehensive income	608.71	(2350.96)
Balance of Profit / (Loss) brought forward	(1888.16)	(319.66)
Balance available for appropriation	(277.68)	(1888.16)
Surplus / (Deficit) carried to Balance Sheet	(277.68)	(1888.16)

2. COMPANY'S PERFORMANCE

The Company's revenue from operations for the year under review aggregated to ₹ 12,812 lakhs (Previous Year: ₹ 13,142 lakhs), a slight 2.5 % reduction over previous year. The operations of the Company for the year under review resulted in profit/ (loss) before tax of ₹ 230.38 lakhs (Previous Year: (2097.24) lakhs) and profit/ (loss) after tax of ₹ 605 lakhs (Previous Year: (2351) lakhs).

The Company successfully completed the works for Paradeep Phosphates Limited (PPL) (earlier Zuari Agro Chemicals Limited) at Goa, which was resumed after a suspension. Further commercial closure is at advanced stages for the works completed for GMR, Hyderabad; IOCL, Dhumad; IOCL, Paradip-1, ONGC, Kakinada; and NFC, Kota and are expected to be completed shortly. The Company had to short close the absorber construction at Talcher and Vallur due to delays in release of fronts and changes in scope.

The Nashik unit manufactured and delivered process plant equipment cumulatively weighing more than 1500 tonnes of varied material of construction including carbon steel, stainless steel, exotic steels like hastelloy, duplex, super duplex and Inconel. It also successfully completed the prestigious order from Kutch Copper Limited of ₹ 42.80 Crores for supply of gas-to-gas heat exchangers, being the heaviest equipment fabricated the till date from this Unit.

Major achievements from Nashik unit include achievement of highest ever turnover viz., ₹ 6232 Lakh; execution of orders for high pressure equipment, pressure vessels, high thickness clad equipment; and completion of 5th ASME audit for U, U2, R, S and NB stamp.

Nagpur Unit performed well during the H1. However, it faced certain challenges including underloading and non-availability of work force in the H2. A total of approx. 5000 MT of steel structures were fabricated from this unit for clients including Tata Project Limited for their Naomundi project and BHEL for Patratu project.

Company's Parli Unit is a new 7-acre facility, less than 50 kms from the upcoming Navi Mumbai Airport and less than 70 kms away from the prolific JNPT port. Being close to Mumbai it would give the Company the flexibility to address demand from Western zone with a lower cost of transportation and added advantage of seaport proximity. The mid-term plan is to use this facility as a multimodal facility to support all SBUs (manufacturing, fabrication and shipbuilding subassemblies) while also providing the flexibility of space to pursue new business opportunities.

Despite the initial establishment challenges and hiccups, this facility commenced its commercial operations during February / March 2024 and delivered about 250 MT fabricated steel structures. This unit is now equipped to fabricate approx. 500 MT of steel structures PM.

At GRSE, over the year the Company has been receiving regular orders for fabrication & erection of Hull blocks and orders for mechanical erection of equipment. During the year the Company received total orders worth 1050 Lakhs. The Company was appreciated by GRSE for their performance and before time completion of some of the orders received.

Some of the Major Orders received:

- From Danieli Corus for feed vessels and coal silos.
- From Piramal Pharma for heat exchangers in exotic material.
- From Mundra Petrochem Limited for 74 nos. of pressure vessels.
- From Tata Projects Limited and from Thyssenkrupp for fabrication and supply of steel structures aggregating to 7750 MT.
- From GRSE for Hull block fabrication & erection, including fabrication of aluminium Hull blocks and mechanical erection works.

BUSINESS OUTLOOK

Consistent and sustained GDP growth was witnessed by the Country. Despite volatile global situation, the industry and infrastructure in India is poised to grow. 'Make in India' and 'Atmanirbhar Bharat' initiatives of the GoI have complimented the growth.

In the Union Budget 2023-24, the Government has laid a Blue-Print for greener growth identifying sustainable growth as one of the four opportunities for achieving the vision of India @100 under 'Amritkaal' and accordingly many programmes have been launched for green energy, mobility, renewable energy etc. The Company sees vast opportunities in these sectors. With decades of experience in construction of various types of tanks and associated works, the Company foresees opportunities in construction of cryogenic tanks, hydrocarbon storage tanks etc., as related infrastructure grows there will be vast opportunity for manufacturing and fabrication of process plant equipment and structural steel fabrication. Both these opportunities will be seen as sustainable growth triggers for the Company's manufacturing facilities based in Nashik, and the newly established Parli facility.

The growth in energy sector including coal based thermal power plants, capacity increase and modernisation of steel plants pan India, investments in infra projects and data centres have generated requirements of heavy fabricated structures. Considering huge requirements, the Company expects a demand and supply gap. The Company thus will position itself to encash the opportunity and explore possible capacity enhancement through automation, modernisation and establishment of another facility.

As major PSU and private oil Companies now are investing in projects related to hydrocarbon derivatives and beyond hydrocarbon including bio energy / alternate fuels etc. generating requirement of process plant equipment, the Company foresees business for its manufacturing Units for such equipment.

With GoI initiative many Indian civil airports have been awarded to private airport operators to modernise, develop and operate on long lease basis. Investment in ATF fuel farms and hydrant networks has been planned in some of these airports by the private airport operators. With the experience of successful similar past execution at Mumbai and Hyderabad airports, the Company sees vast potential for similar such opportunities in this financial year.

Shipbuilding vertical has been performing consistently at GRSE, Kolkata which along with other PSU shipyards is flooded with orders for construction of new naval ships and repair and maintenance of commissioned ship. New Shipyards have been identified and being developed as a part of making India a global hub for ship building and repairs. Further, the key enablers like disallowing more than 20-year-old ships to operate in Indian waters, Government initiatives like Sagarmala project, declaring 111 rivers across India as national waterways for cargo transport by IWA have exponentially increased the opportunities for the Company.

With the experience gained from GRSE, the Company has registered with Hindustan Shipyard Limited and is exploring opportunities with other clients including Mazagaon Dock for similar works and building complete products in ship building sector.

In view of above encouraging scenario, the Company will focus on opportunities based on its strengths and past track records for sustainable and profitable growth towards stronger balance sheet in coming years.

The Company continues to maintain excellent record on Employee's Health and Safety at all factory locations and project sites and has received appreciation from its clients.

The Company has taken several measures to ensure the well-being of its employees including leveraging the power of technology to enable them to work from home. Further, standing by its core commitment the Company is navigating through these unprecedented times by building stronger and deeper relationships with consumers and its partners.

3. EXECUTION OF BRAND EQUITY & BUSINESS PROMOTION AGREEMENT (BEBP) WITH TATA SONS PRIVATE LIMITED

The Board of Directors are pleased to inform that on 15th July 2024, the Company has signed the Brand Equity and Business Promotion (BEBP) Agreement with Tata Sons Private Limited, thereby entitling the Company to utilize the mark/s viz., "A TATA ENTERPRISE" and / or "A TATA PRODUCT" in addition to the "TATA LOGO" on certain marketing Communications. This marks a major milestone in the Company's journey.

4. CHANGE IN THE NATURE OF BUSINESS

The basic nature of the business of the Company i.e., manufacturing of process plant equipment, fabrication of structures & associated works and construction of storage tanks etc. remains the same and there was no change in the nature of business of the Company during the year under review.

5. CREDIT RATING

M/s. India Rating and Research Private Limited (Ind-Ra) has assigned a long-term issuer rating of 'IND A+/Stable'. The Outlook is stable. The instrument-wise rating is as follows:

- "IND A+/Stable" for the Term Loan.
- "IND A+/Stable/IND A1+" for the fund-based limits.
- "IND A+/Stable/IND A1+" for the non-fund-based limits.

6. DIVIDEND

Considering the financial position of the Company, the Board of Directors have not recommended dividend for the year 2023-24. Further, as the members are aware, pursuant to the revised terms of loan (interest free for 20 years), conversion of certain payables into loans (interest free for ten years) given by the Holding Company, Tata Projects Limited (TPL), the Company is not permitted to declare dividend to the equity Shareholders (including the Holding Company/ promoter) until the re-payment of loan.

7. TRANSFER OF AMOUNT TO RESERVES

The Company does not propose to transfer any amount to General Reserve for the year ended 31st March 2024.

8. BORROWINGS

The total borrowings of the Company including long-term loans and working capital facilities stood at ₹ 6,028.07 Lakhs as on 31st March 2024.

9. ANNUAL RETURN

The Annual Return of the Company for the FY 2023-24 in the prescribed form MGT-7 as required under section 92(3) of the Act is available on the website of the Company i.e., www.artson.net

10. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

Except for the proposal for sale of Nagpur Undertaking of the Company which is being placed at AGM for approval of the Members, there were no material changes and/ or commitments affecting the financial position of the Company, occurred between the end of the financial year of the Company to which the financial statements relate i.e., 31st March 2024 and the date of the report i.e., 23rd April 2024.

11. DIRECTORS AND KEY MANAGERIAL PERSONNEL

a) Appointment of Directors

During the year under review, the Board of Directors at their meeting held on 19th April 2023 appointed Mr. Jyotisman Dasgupta as Independent Director and Mr. Shashank Jha, CEO as the CEO and Whole-Time Director, both w.e.f. 19th April 2023 and their appointments were approved by members at the 44th AGM of the Company held on 17th August 2023.

Further, during the year under review Mr. Ashish Kulkarni and Ms. Priya Kher were appointed as Independent Directors of the Company w.e.f. 18th March 2024 by the Board of Directors and in terms of the provisions of the Companies Act 2013 (Act) and the corresponding Rules made thereunder, the aforesaid appointments are being placed at the ensuing AGM for approval of the members.

In addition to the above, Mr. Deepak Natarajan was appointed as Non-Executive Director of the Company w.e.f. 10th June 2024 in place of Mr. Sanjay Sharma by the Board of Directors and in terms of the provisions of the Act and the corresponding Rules made thereunder, the aforesaid appointments are being placed at the ensuing AGM for approval of the members.

b) Cessation of Directors

During the year under review, Mr. Sunil Potdar, ceased to be Director w.e.f. 29th April 2023 upon completion of his term. Also, Mr. Pralhad Pawar retired w.e.f. the date of previous AGM i.e., 17th August 2023.

Further, Ms. Leja Hattiangadi, retired w.e.f. 18th March 2024 upon completion of her tenure and Mr. Sanjay Sharma resigned from the position Director w.e.f. 10th June 2024, consequent to stepping down from the Holding Company, Tata Projects Limited (TPL).

c) Directors retiring by rotation.

In accordance with the provisions of the Act and the Company's Articles of Association, Mr. Vinayak Pai, retires by rotation and being eligible, offers himself for re-appointment. The proposal for re-appointment of Mr. Vinayak Pai is being placed at the AGM along with the necessary details.

d) Changes in the Key Managerial Personnel

During the year under review, based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors at their meeting held on 19th April 2023 appointed Mr. Shashank Jha as Whole-Time Director of the Company w.e.f. 19th April 2023 and his appointment was approved by members at the 44th AGM of the Company held on 17th August 2023.

e) Declaration by Independent Directors

As per the requirement of Section 149 (7) of the Act, the Independent Directors of the Company, have submitted their respective declarations that they fulfil the criteria of independence under Section 149 of the Act, read with Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Regulations / Listing Regulations).

12. NUMBER OF BOARD MEETINGS

During the financial year, the Board met Five (5) times i.e., on 19th April 2023, 12th July 2023, 8th August 2023, 16th October 2023, and 12th January 2024. The gap between any two consecutive Board Meetings did not exceed One Hundred and Twenty days.

13. ANNUAL EVALUATION

Pursuant to the provisions of the Act and Regulation 25 of the Listing Regulations, the Board has conducted an annual evaluation of its own performance, performance of the Directors individually as well as the evaluation of the working of the Committees. The following process was adopted for Board evaluation:

- i. Feedback was sought from each Director about their views on the performance of the Board covering various criteria such as degree of fulfilment of key responsibilities, Board structure and composition, establishment, and delineation of responsibilities to various Committees, effectiveness of Board processes, information and functioning, Board culture and dynamics, quality of relationship between the Board and the Management and efficacy of communication with external stakeholders.

- ii. The feedback received from all the Directors was discussed at the meeting of Independent Directors and the Nomination and Remuneration. The performance of the Non-Independent Non-Executive Directors and Board Chairman was also reviewed by them.
- iii. The collective feedback on the performance of the Board (as a whole) was discussed by the Chairperson of the Nomination and Remuneration with the Chairman of the Board. It was also presented to the Board.
- iv. Assessment of performance of every statutorily mandated Committee of the Board was conducted and these assessments were presented to the Board for consideration. Areas on which the Committees of the Board were assessed included degree of fulfilment of key responsibilities, adequacy of Committee composition and effectiveness of meetings.
- v. During the year under review, the recommendations made in the previous year were satisfactorily implemented.

Based on the annual evaluation process and the overall engagement of the Independent Directors in the affairs of the Company during the year, the Board of Directors are of the opinion that the Independent Directors of the Company possess, practice, and preach highest standards of integrity and have the required experience and expertise in their respective areas which enable them to provide guidance to the Management and adds value in the Company's decision process.

14. DIRECTORS' RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the Internal, Statutory and Secretarial Auditors and the reviews performed by the Management and the relevant Board Committees, including the Audit Committee, the Board believes that the Company's internal financial controls were adequate and effective during the year ended 31st March 2024. Accordingly, pursuant to Section 134(5) of the Act, based on the above and the representations received from the Operating Management, the Board of Directors, to the best of their knowledge and ability confirm that:

- In the preparation of the annual accounts, the applicable accounting standards have been followed and that there was no material departure therefrom.
- They have, in the selection of the accounting policies, consulted the Statutory Auditors and have applied their recommendations consistently and made judgments and estimates that are reasonable and prudent to give a true and fair view of the state of affairs of the Company as at 31st March 2024 and of the profit/ loss of the Company for the year ended on that date.
- They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities.
- They have prepared the annual accounts on a going concern basis.
- They have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively during the year ended 31st March 2024; and
- Proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively during the year ended 31st March 2024.

15. AUDIT COMMITTEE

The Audit Committee (AC) of the Company comprises of 2 Independent Director(s) and 1 Non-Executive Director.

S. No.	Name	Role	Designation
1	Mr. Deepak Natarajan	Chairman	Non-Executive Director
2	Mr. Ashish Kulkarni	Member	Independent Director
3	Mr. Jyotisman Dasgupta	Member	Independent Director

The composition of the Committee is as per the requirements of the provisions of Section 177 of the Act. During the year under review, Mr. Jyotisman Dasgupta was inducted as the member of Audit Committee w.e.f. 19th April 2023. Further, Mr. Sunil Potdar and Ms. Leja Hattiangadi ceased to be members of Audit Committee due to their retirement from the Board w.e.f. 29th April 2023 and 18th March 2024, respectively. To ensure the optimum composition of Committee, Mr. Ashish Kulkarni was inducted as the member of the Audit Committee w.e.f. 18th March 2024.

Upon cessation of Mr. Sanjay Sharma, Mr. Deepak Natarajan was inducted as the member and Chairman of Audit Committee w.e.f. 10th June 2024.

The Audit Committee continues to provide valuable advice and guidance in the areas of costing, finance, and internal financial controls. The Committee is governed by terms of reference, which are in line with the regulatory requirements mandated by the Act and Listing Regulations.

During the financial year, the Audit Committee met Four (4) times i.e., on 19th April 2023, 12th July 2023, 16th October 2023, and 12th January 2024.

16. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee (NRC) of the Company comprises of 2 Independent Director(s) and 1 Non-Executive Director.

S. No.	Name	Role	Designation
1	Ms. Priya Kher	Chairperson	Independent Director
2	Mr. Vinayak Pai	Member	Non-Executive Director
3	Mr. Jyotisman Dasgupta	Member	Independent Director

The composition of the Committee is as per the requirements of the provisions of Section 178 of the Act. During the year under review, Mr. Jyotisman Dasgupta was inducted as the member of the Committee w.e.f. 19th April 2023. Further, Mr. Sunil Potdar and Ms. Leja Hattiangadi ceased to be members of Committee due to their retirement from the Board w.e.f. 29th April 2023 and 18th March 2024, respectively. To ensure the optimum composition of Committee, Ms. Priya Kher, was inducted as the member and Chairperson of the Committee w.e.f. 18th March 2024.

The Committee is governed by terms of reference, which are in line with the regulatory requirements mandated by the Act and Listing Regulations.

During the financial year, the Nomination and Remuneration Committee met Three (3) times i.e., on 19th April 2023, 12th July 2023, and 12th January 2024.

17. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee (SRC) of the Company comprises of 2 Independent Director(s) and 1 Non-Executive Director.

S. No.	Name	Role	Designation
1	Mr. Jyotisman Dasgupta	Chairman	Independent Director
2	Ms. Priya Kher	Member	Independent Director
3	Mr. Shashank Jha	Member	Whole-Time Director

The composition of the Committee is as per the requirements of the provisions of Section 178 of the Act. During the year under review, Mr. Jyotisman Dasgupta and Mr. Shashank Jha were inducted as the members of the Committee w.e.f. 19th April 2023. Further, Mr. Sunil Potdar, Mr. Prahlad Pawar and Ms. Leja Hattiangadi ceased to be members of Committee due to their retirement from the Board w.e.f. 29th April 2023, 17th August 2023 and 18th March 2024, respectively. To ensure the optimum composition of Committee, Ms. Priya Kher was inducted as the member of the Committee w.e.f. 18th March 2024.

The Committee is governed by terms of reference, which are in line with the regulatory requirements mandated by the Act and Listing Regulations.

During the financial year, the Stakeholders' Relationship Committee met Four (4) times i.e., on 19th April 2023, 12th July 2023, 16th October 2023, and 12th January 2024.

18. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee (CSRC) of the Company comprises of 1 Independent Director, 1 Non-Executive Director and 1 Whole-Time Director.

S. No.	Name	Role	Designation
1	Mr. Ashish Kulkarni	Chairman	Independent Director
2	Mr. Deepak Natarajan	Member	Non-Executive Director
3	Mr. Shashank Jha	Member	Whole-Time Director

The composition of the Committee is as per the requirements of the provisions of Section 135 of the Act. During the year under review, Mr. Shashank Jha was inducted as the member of the Committee w.e.f. 19th April 2023. Further, Mr. Prahlad Pawar and Ms. Leja Hattiangadi ceased to be members of Committee due to their retirement from the Board w.e.f. 17th August 2023 and 18th March 2024, respectively. To ensure the optimum composition of Committee, Mr. Ashish Kulkarni was inducted as the member of the Committee w.e.f. 18th March 2024.

Upon cessation of Mr. Sanjay Sharma, Mr. Deepak Natarajan was inducted as the member of the Committee w.e.f. 10th June 2024.

Pursuant to the provision of section 135 of the Act read with the corresponding Rules made thereunder and the Corporate Social Responsibility Policy adopted by the Board of Directors, the provisions of CSR spending in the year 2023-24 were not applicable to the Company, therefore during the year under review, no Corporate Social Responsibility Committee meeting was held. The Corporate Social Responsibility policy of the Company is available on the website of the Company, <https://artson.net/about-us/policies/corporate-social-responsibility-csr-policy/>

19. CHANGE OF NAME OF THE COMPANY:

The Board of Directors at their meeting held on 12th August 2024 had approved and recommended for change of name of the Company from Artson Engineering Limited to 'Artson Limited' subject to requisite approvals. As per the provisions of the Act approval of the shareholders is required by way of a special resolution for changing the name of the Company and corresponding alteration in the Memorandum of Association (MOA) and Articles of Association (AOA). Accordingly, the proposal is included in the notice convening the 45th AGM of the Company seeking approval of the members.

In the event any name, other than 'Artson Limited' is made available by the MCA and acceptable to the Board / its authorized representatives, the name of the Company shall be changed to such other name (which is made available).

The proposed change of name will not affect or alter any of the rights of the Company and / or of the shareholders/ stakeholders of the Company.

20. ALTERATION OF OBJECTS CLAUSE AND OTHER CLAUSES OF THE MEMORANDUM OF ASSOCIATION AND ADOPTION OF NEW SET OF ARTICLES OF ASSOCIATION:

The Board of Directors at their meeting held on 12th August 2024 had approved and recommended for alteration of MOA in line with the requirements of the Act and to align the Company's activities and accommodate future diversification. Accordingly, it is proposed to alter the objects clause and re-number the clauses of the MOA as detailed in the resolution forming part of the notice convening the AGM.

Further, the Board of Directors at their meeting held on 12th August 2024 also approved and recommended for alteration of AOA in line with the requirements of the Act by adopting the new set of AOA as prescribed in Table-F of the Act.

The copy of proposed MOA and AOA are available on the website of the Company www.artson.net.

As per the provisions of the Act, approval of the shareholders is required by way of a special resolution for alternation of MOA and AOA. Accordingly, the proposals are included in the notice convening 45th AGM of the Company seeking approval of the members.

21. SALE OF UNDERTAKING OF THE COMPANY (NAGPUR DIVISION):

The Company proposes to enter into a Business Transfer Agreement (BTA) with Tata Projects Limited (Holding Company/ Purchaser/ TPL) for transferring the Nagpur Division of the Company as a going concern by way of slump sale, which is subject to the terms and conditions specified in the BTA and other transaction documents to be executed by the Company and TPL, for the reasons and objects as mentioned in the explanatory statement forming part of the notice convening 45th AGM. The Company has obtained a Valuation Report from Mr. Harsh Chandrakant Ruparelia, Registered Valuer (Securities or Financial Assets) in this regard.

In terms of the provision of the Act, approval of the shareholders is required by way of a special resolution to sell, lease, or otherwise dispose of the whole or substantially the whole of the undertaking of the Company. Accordingly, the proposal is included in the notice convening the 45th AGM of the Company seeking approval of the members.

22. REMUNERATION POLICY

Based on the recommendations of the NRC, the Board of Directors approved and adopted a Remuneration Policy for Directors, Key Managerial Personnel, and other employees of the Company as required under Section 178(3) of the Act. The Company has adopted Governance Guidelines which inter alia covers the composition and role of the Board, Board Appointment, Induction and Development, Director's Remuneration, Code of Conduct, Board Effectiveness Review, and mandates of the Board Committees. The Remuneration Policy is placed on the website of the Company www.artson.net for reference and enclosed as **Annexure 1**.

23. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has neither given any loans or guarantee, nor provided any security in connection with any loan to any Body Corporate or person, nor has it acquired by subscription, purchase or otherwise, the securities of any Body Corporate as provided under Section 186 of the Act.

24. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

In line with the requirements of the Act and the Listing Regulations, the Company has formulated a policy on related party transactions. All related party transactions entered during the year under review were on arm's length basis and were in the ordinary course of business. All transactions with related parties were reviewed and approved by the Audit Committee. Prior omnibus approval was obtained for related party transactions which are of repetitive nature and entered in the ordinary course of business and on an arm's length basis. There were no other materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel and Body Corporate(s) which had a potential conflict with the interest of the Company at large. Accordingly, the disclosure of these Related Party Transactions as required under Section 134 (3) (h) of the Act in Form AOC 2 is not applicable for the year under review. The details of the transactions with related parties are provided in the accompanying Financial Statements.

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

Particulars as prescribed under Section 134(3)(m) of the Act pertaining to the conservation of energy, technology absorption and foreign exchange earnings and outgo is enclosed as **Annexure 2**.

26. RISK MANAGEMENT POLICY

The Company has adopted measures for risk Management and mitigation thereof. A formal risk reporting system has been devised by the Company. Project Review Committee has been constituted comprising of Directors and senior officials of the Company to review, assess and mitigate the risks, conversion of risk into opportunities, problems/ irregularities related to implementation and execution of projects (including project delay, change in scope and estimation errors) and implementation of checks and balances for proper execution of future work. The key risk Management and mitigation practices include those relating to identification of key risks associated with the business objectives, impact assessment, risk evaluation and reporting.

27. PARTICULARS OF SUBSIDIARY COMPANIES OR JOINT VENTURES OR ASSOCIATE COMPANY

The Company neither has any joint venture with nor does it have any associate or subsidiary Company as defined under various provisions of the Act.

28. PARTICULARS OF DEPOSITS

During the year under review, the Company has neither accepted any deposit covered under Chapter V of the Act nor has it contravened the compliance requirements of Chapter V of the Act.

29. PARTICULARS OF SIGNIFICANT/ MATERIAL ORDERS PASSED, IF ANY

During the year under review, there were no significant and/ or material orders passed by any Regulator/ Court/ Tribunal which could impact the going concern status of the Company and its operations in future.

30. AUDITORS**a) Statutory Auditors**

Pursuant to the provisions of Sections 139, 142 and other applicable provisions of the Act read with Rules made thereunder, the Shareholders at the 43rd Annual General Meeting (AGM) of the Company held on 28th June 2022, approved the re-appointment of M/s. Price Waterhouse & Co Chartered Accountants LLP, (PwC) (Firm Registration Number - 304026E/E-300009) as the Statutory Auditors of the Company to hold office for a period of 5 years commencing from the conclusion of the 43rd AGM till the conclusion of the 48th AGM to be held in the year 2027.

The Auditors' Report issued by PwC for the financial year 2023-24 does not contain any qualification, reservations, adverse remark, or disclaimer.

b) Cost Auditors

In terms of the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules 2014, and based on the recommendation of the Audit Committee, the Board of Directors at their meeting held 23rd April 2024 re-appointed M/s. Sagar and Associates, Cost Accountants (Firm Registration No. 000118), as the Cost Auditors for the financial year 2024-25 to conduct the audit of Steel Products of the Company. The necessary consent letter and certificate of eligibility was received from M/s. Sagar & Associates, confirming their eligibility to be re-appointed as the Cost Auditors of the Company.

A resolution seeking ratification of remuneration payable to M/s. Sagar and Associates, Cost Accountants (Firm Registration No. 000118) to conduct the audit of Steel Products of the Company for the financial year 2024-25 has been included in the notice convening 45th AGM of the Company.

c) Secretarial Auditors

In terms of Section 204 of the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and based on the recommendation of the Audit Committee, the Board of Directors at their meeting held on 19th April 2023 had appointed M/s. MKS & Associates, Company Secretaries (Firm Registration No. S2017TL460500) as the Secretarial Auditors for the financial year 2023-24. The Secretarial Audit Report in the prescribed form MR-3 on the audit conducted by the said Auditor is enclosed to this Report as **Annexure 3**.

Further, based on the recommendation of the Audit Committee, the Board of Directors at their meeting held on 23rd April 2024 re-appointed M/s. MKS & Associates as the Secretarial Auditors of the Company for the financial year 2024-25. The necessary consent letter and certificate of eligibility was received from M/s. MKS & Associates, Company Secretaries, confirming their eligibility to be re-appointed as the Secretarial Auditors of the Company.

d) Internal Auditors

In terms of the provisions of Section 138 of the Act, read with the Companies (Accounts) Rules, 2014 and other applicable provisions, if any, (as amended or re-enacted from time to time) and based on the recommendation of Audit Committee, the Board of Directors at their meeting held on 23rd April 2024 appointed M/s. Aneja Associates, Chartered Accountants, Proprietorship Firm (Firm Registration Number 100404W) as the Internal Auditors of the Company for the financial year 2024-25. M/s Aneja Associates confirmed their willingness and eligibility for appointment as the Internal Auditors of the Company. Further, the Audit Committee in consultation with Internal Auditors, formulated the scope, functioning, periodicity and methodology for conducting the internal audit.

31. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adopted adequate internal financial controls, commensurate with the size and complexity of its operations. During the year, such controls were tested and no reportable material weakness in the design or operations was observed. The Company has policies and procedures in place for ensuring proper and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of accounting records and the timely preparation of reliable financial information.

The Company has adopted accounting policies which are in line with the Indian Accounting Standards (Ind-AS) and the Act. These are in accordance with the generally accepted accounting principles in India. Changes in policies, if required, are made in consultation with the Auditors and are approved by the Audit Committee.

The Company's internal audit system is geared towards ensuring adequate internal controls commensurate with the size and needs of the business, with the objective of efficient conduct of operations through adherence to the Company's policies, identifying areas of improvement, evaluating the reliability of financial statements, ensuring compliances with applicable laws and Regulations, and safeguarding of assets from unauthorized use.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the Internal, Statutory, Cost and Secretarial Auditors, including audit of the internal financial controls over financial reporting by the Statutory Auditors, and the reviews performed by the Management and the relevant Board and Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the year 2023-24.

32. DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has adopted a policy on prevention, prohibition, and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. The Company has also constituted a Committee for Prevention of Sexual Harassment at workplace. No complaints were received under the said policy during the year under review.

33. PARTICULARS OF EMPLOYEES

During the year under review, no employee in the Company drew remuneration in excess of the amounts prescribed under Section 197(12) of the Act, read with Rule 5 (2) and 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Further the information pursuant to Section 197 of the Act read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time is enclosed as **Annexure 4**.

34. SHARE CAPITAL

The authorised share capital of the Company is ₹ 17,00,00,000/- comprising of 15,00,00,000 equity shares of ₹ 1/- and 2,00,000 preference shares of ₹ 100/- each. Further, the paid-up equity share capital of the Company is ₹ 3,69,20,000/- divided into 3,69,20,000 equity shares of ₹ 1/- each. During the year under review, there was no change in the capital structure of the Company. Disclosure under Section 67(3)(c) of the Act in respect of voting rights not exercised directly by the employees of the Company is not applicable.

35. ISSUE OF SHARES

During the year under review, the Company has not:

- i. Issued any shares with differential voting rights pursuant to the provisions of Rule 4 of the Companies (Share Capital and Debenture) Rules, 2014.
- ii. Issued any sweat equity shares to any of its employees, pursuant to the provisions of Rule 8 of the Companies (Share Capital and Debenture) Rules, 2014.
- iii. Implemented any Employee Stock Option Scheme for its employees.

36. PURCHASE OF SHARES OF THE COMPANY

During the period under review, the Company has not given any loan, guarantee or security, or any financial assistance to the employees of the Company for the purpose of purchase or subscription for any shares of the Company or its Holding Company pursuant to Section 67(2) of the Act.

37. VIGIL MECHANISM

The Company has adopted a Whistle Blower Policy to report to the Management, the instances of unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy. Under the policy, the employees can approach the Company's Ethics Counsellor/ Chairman of the Audit Committee for reporting.

38. REPORT ON CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT (MDAR)

Pursuant to the Regulation 15(2) of Listing Regulations, compliance with the Corporate Governance provisions as specified in Regulations 17 to 27 and 46 (2)(b) to (i) and (t) and para-C, D and E of Schedule V are not applicable to the Company because, neither the paid-up share capital exceeds ₹ 10 Crore nor the net-worth exceeds ₹ 25 Crore as on the last day of previous financial year i.e., 31st March 2024. Accordingly, the report pertaining to the Code of Corporate Governance have not been annexed.

Further, pursuant to the provision of Regulation 34 read with para-B of schedule V, the Management Discussion Analysis Report is enclosed as **Annexure 5**.

39. ACKNOWLEDGEMENTS

The Directors wish to place on record their sincere appreciation for the unrelenting support received during the year from the Shareholders, Tata Projects Limited (Holding Company), customers - both in India and abroad, suppliers and vendors, Banks, and other Government and Regulatory authorities, Financing, and lending institutions. The Board wishes to record its deep appreciation to all the employees and workers of the Company for their dedication and commitment.

Registered Office

2nd Floor, One Boulevard, Lake Boulevard Road,
Hiranandani Business Park, Powai, Mumbai - 400076, Maharashtra
Phone No: +91 40 6601 8194; Email: investors@artson.net
CIN: L27290MH1978PLC020644; Website: www.artson.net

Date: 12th August 2024
Place: Mumbai

By Order of the Board
For **Artson Engineering Limited**

Vinayak Pai
Chairman
DIN: 03637894

REMUNERATION POLICY

Policy for Directors, Key Managerial Personnel and other employees

The philosophy for remuneration of Directors, Key Managerial Personnel ("KMP") and all other employees of Artson Engineering Limited ("Company") is based on the commitment of fostering a culture of leadership with trust. The remuneration policy is aligned to this philosophy.

This remuneration policy has been prepared pursuant to the provisions of Section 178(3) of the Companies Act, 2013 ("Act") and Regulation 19 read with Part - D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. In case of any inconsistency between the provisions of law and this remuneration policy, the provisions of the law shall prevail, and the Company shall abide by the applicable law. While formulating this policy, the Nomination and Remuneration Committee ("NRC") has considered the factors laid down under Section 178(4) of the Act, which are as under:

- a. "the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully.
- b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- c. remuneration to Directors, Key Managerial Personnel and senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals".

Key principles governing this remuneration policy are as follows:

1. Remuneration for Independent Directors and Non-Independent Non-Executive Directors

- Independent Directors ("ID") and Non-Independent Non-Executive Directors ("NED") may be paid sitting fees (for attending the Meetings of the Board and of Committees of which they may be members) and commission within regulatory limits.
- Within the parameters prescribed by law, the payment of sitting fees and commission will be recommended by the NRC and approved by the Board.
- Overall remuneration (sitting fees and commission) should be reasonable and enough to attract, retain and motivate Directors aligned to the requirements of the Company (taking into consideration the challenges faced by the Company and its future growth imperatives).
- Overall remuneration should be reflective of size of the Company, complexity of the sector/ industry/ Company's operations and the Company's capacity to pay the remuneration.
- Overall remuneration practices should be consistent with recognized best practices.
- Quantum of sitting fees may be subject to review on a periodic basis, as required.
- The aggregate commission payable to all the NEDs and IDs will be recommended by the NRC to the Board based on Company performance, profits, return to investors, shareholder value creation and any other significant qualitative parameters as may be decided by the Board.
- The NRC will recommend to the Board the quantum of commission for each Director based upon the outcome of the evaluation process which is driven by various factors including attendance and time spent in the Board and Committee Meetings, individual contributions at the Meetings and contributions made by Directors other than in Meetings.
- In addition to the sitting fees and commission, the Company may pay to any Director such fair and reasonable expenditure, as may have been incurred by the Director while performing his/ her role as a Director of the Company. This could include reasonable expenditure incurred by the Director for attending Board/ Board Committee Meetings, General Meetings, Court convened Meetings, Meetings with Shareholders/ Creditors/ Management, site visits, induction and training (organized by the Company for Directors) and in obtaining professional advice from independent advisors in the furtherance of his/ her duties as a Director.

2. Remuneration for Managing Director (“MD”) / Executive Directors (“ED”)/ KMP/ rest of the employees.

- The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence remuneration should be:
- Market competitive (market for every role is defined as Companies from which the Company attracts talent or Companies to which the Company loses talent),
- Driven by the role played by the individual,
- Reflective of size of the Company, complexity of the sector/ industry/ Company’s operations and the Company’s capacity to pay,
- Consistent with recognized best practices and
- Aligned to any regulatory requirements.

In terms of remuneration mix or composition,

- The remuneration mix for the MD/ EDs is as per the contract approved by the shareholders.
- Basic/ fixed salary is provided to all employees to ensure that there is a steady income in line with their skills and experience.
- In addition to the basic/ fixed salary, the Company provides employees with certain perquisites, allowances, and benefits to enable a certain level of lifestyle and to offer scope for savings and tax optimization, where possible. The Company also provides all employees with a social security net (subject to limits) by covering medical expenses and hospitalization through re-imbursments or insurance cover and accidental death and dismemberment through personal accident insurance.
- The Company provides retirement benefits as applicable.
- In addition to the basic/ fixed salary, benefits, perquisites and allowances as provided above, the Company provides MD/ EDs such remuneration by way of commission, calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Board, subject to the overall ceilings stipulated in the Act.
- The specific amount payable to the MD/ EDs would be based on performance as evaluated by the Board or the NRC and approved by the Board.
- In addition to the basic/ fixed salary, benefits, perquisites, and allowances as provided above, the Company provides MD/ EDs such remuneration by way of an annual incentive remuneration/ performance linked bonus subject to the achievement of certain performance criteria and such other parameters as may be considered appropriate from time to time by the Board. An indicative list of factors that may be considered for determination of the extent of this component are:
 - a. Company performance on certain defined qualitative and quantitative parameters as may be decided by the Board from time to time,
 - b. Industry benchmarks of remuneration,
 - c. Performance of the individual.
- The Company provides the rest of the employees a performance linked bonus. The performance linked bonus would be driven by the outcome of the performance appraisal process and the performance of the Company.

Remuneration payable to Director for services rendered in other capacity.

- The remuneration payable to the Directors shall be inclusive of any remuneration payable for services rendered by such Director in any other capacity unless:
 - a. The services rendered are of a professional nature; and
 - b. The NRC believes the Director possesses requisite qualification for the practice of the profession.

Policy implementation

- The NRC is responsible for recommending the remuneration policy to the Board. The Board is responsible for approving and overseeing implementation of the remuneration policy.

Registered Office

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CIN: L27290MH1978PLC020644; Website: www.artson.net

Date: 12th August 2024

Place: Mumbai

By Order of the Board
For **Artson Engineering Limited**

Vinayak Pai
Chairman
DIN: 03637894

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

[Information as per Section 134(3)(m) read with Companies (Accounts) Rules, 2014 and forming part of the Board's Report for the Financial Year ended 31st March 2024]

A Conservation of Energy

The Company is conscious of the need for energy conservation and striving to explore possibilities of reducing energy consumption in all the areas of operations including office premises as well as its manufacturing facilities at Nashik and Nagpur. Environment and energy conservation days were observed to create awareness among employees and business associates on conservation of energy.

B Technology Absorption: Not Applicable

C Foreign Exchange Earnings and Outgoings

(₹ In Crores)

Foreign Exchange	Financial Year ended 31 st March 2024	Financial Year ended 31 st March 2023
Earnings	0.00	0.02
Outgo	0.21	0.07

Registered Office

2nd Floor, One Boulevard, Lake Boulevard Road,
Hiranandani Business Park, Powai, Mumbai - 400076, Maharashtra
Phone No: +91 40 6601 8194; Email: investors@artson.net
CIN: L27290MH1978PLC020644; Website: www.artson.net

By Order of the Board
For **Artson Engineering Limited**

Date: 12th August 2024
Place: Mumbai

Vinayak Pai
Chairman
DIN: 03637894

Form MR-3

SECRETARIAL AUDIT REPORT**for the Financial Year ended 31st March 2024**

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

To
The Members
Artson Engineering Limited
Mumbai.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Artson Engineering Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided and declarations made 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, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms, and returns filed and other records maintained by "the Company" for the financial year ended on 31st March 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder.
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder.
- (iii) The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder.
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2021.
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2015.
 - (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.
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.
 - (i) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India i.e., Secretarial Standard - for Board Meeting and Secretarial Standards - 2 for General Meetings.
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015[Except those as prescribed under Regulation 15(2) read with Regulations 15(3)]

Further as per the explanation given by the Company there are no specific acts applicable to be Company to be reported in my Report.

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

***As per Regulation 15 (2) to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the provisions of regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V shall not apply in respect of a listed entity whose paid up equity share capital does not exceed ₹ 10 crores and net worth does not exceed ₹ 25 crores as on March 31, 2023, to the extent that they are addition to the requirements specified under the Companies Act, 2013.**

I further report that:

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 conducted in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

Place: Hyderabad

Date: 19th April 2024

For MKS and Associates
(Reg. No. S2017TL460500)

Manish Kumar Singhania
Practicing Company Secretary:
ACS No. 22056
C P No: 8068
UDIN: A022056F000189366

To
The Members
Artson Engineering Limited
Mumbai.

My Secretarial Audit Report of even date is to be read along with this letter.

- 1 The maintenance of Secretarial records is the responsibility of the Management of the Company. Further, the Company is also responsible for devising proper systems and process to ensure the compliance of the various statutory requirements and Governance systems.
- 2 It is the responsibility of the Management of the Company to ensure that the systems and process devised for operating effectively and efficiently.
- 3 My responsibility is to express an opinion on these secretarial records based on my audit.
- 4 I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practices followed provide a reasonable basis for my opinion.
- 5 Wherever required, I have obtained the Management representations about the compliance of laws, rules and regulations and happening of events etc.
- 6 The Compliance of the provisions of other applicable laws, rules and regulations is the responsibility of the Management. My examination was limited to the verification of procedure on test basis.
- 7 The secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

Place: Hyderabad
Date: 19th April 2024

For MKS and Associates
(Reg. No. S2017TL460500)

Manish Kumar Singhania
Practicing Company Secretary:
ACS No. 22056
C P No: 8068
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Date: 12th August 2024
Place: Mumbai

By Order of the Board
For **Artson Engineering Limited**

Vinayak Pai
Chairman
DIN: 03637894

STATEMENT OF DISCLOSURE OF REMUNERATION

[Information pursuant to Section 197 of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

I. Ratio of remuneration of each Director to the median remuneration of employees for the financial year ended 31st March 2024

(₹ in Lakhs)

Name of the Director	Designation	Ratio	Remuneration
Mr. Vinayak Pai	Chairman, Non-Executive Director	---	---
Mr. Sanjay Sharma	Non-Executive Director	---	---
Mr. Sunil Potdar*	Independent Director	NA	1.00
Mr. Pralhad Pawar*	Non-Executive Director	---	---
Ms. Leja Hattiangadi*	Independent Director	NA	5.10
Mr. Jyotisman Dasgupta	Independent Director	NA	4.30

* For part of the year

Note: The sitting fees is paid only to the Independent Directors of the Company for attending the Meetings of the Board and Committees thereof.

II. % Increase of remuneration of each Director & KMPs in the financial year ended 31st March 2024

(₹ in Lakhs)

Directors	Designation	% Increase in Remuneration
Mr. Vinayak Pai	Chairman, Non-Executive Director	NA
Mr. Sanjay Sharma	Non-Executive Director	
Mr. Sunil Potdar*	Independent Director	
Mr. Pralhad Pawar*	Non-Executive Director	
Ms. Leja Hattiangadi*	Independent Director	
Mr. Jyotisman Dasgupta	Independent Director	
Key Managerial Personnel (KMP)		
Mr. Shashank Jha	CEO & Whole-Time Director	11.00
Mr. Siva Rama Krishna Kambhampati	Chief Financial Officer	
Mr. Deepak Tibrewal	Company Secretary & Compliance Officer	

* For part of the year

III. % Increase in median remuneration of employees in the Financial Year: **14.00%**

IV. Number of permanent Employees on the roll of the Company: **145**

V. The explanation on the relationship between average increase in remuneration against the performance of the Company.

Particulars	(₹ in Lakhs)	
	2023-24	2022-23
Total Income	12,877.55	13,239.05
EBITDA	1,463.98	(958.92)
EBITDA as % of total Income	11.37%	(7.24%)
PAT (₹ Lakhs)	605.20	(2,350.81)
PAT as % of total Income	4.70%	(17.76%)

Average increase in the remuneration of employees is in line with market scenario and as a measure to motivate employees for better future performance.

VI. Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

- average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year: **14.00%**.
- percentile increase in the managerial remuneration: **11.00%**.

Average increase in the remuneration of employees is in the line with market scenario and as a measure to motivate employees for better future performance.

VII. It is affirmed that the remuneration paid to Directors, Key Managerial Persons and employees during the year is as per the remuneration policy of the Company.

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Date: 12th August 2024

Place: Mumbai

By Order of the Board
For **Artson Engineering Limited**

Vinayak Pai
Chairman
DIN: 03637894

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

FORWARD-LOOKING STATEMENTS

This document contains certain forward-looking statements based on the currently held beliefs and assumptions of the Management of the Company, which are expressed in good faith, and in its opinion and judgment, are reasonable. For this purpose, forward looking statements mean a statements, remarks, or forecasts that address activities, events, conditions, or developments that the Company expects or anticipates which may occur in the future. Because of the inherent risks and uncertainties in the social and economic scenarios, the actual events, results, or performances may differ materially and substantially from those indicated by these statements. Artson Engineering Limited (the Company) disclaims any obligation to update these forward-looking statements to reflect future events or developments.

FY 24 OUTLOOK - CONSOLIDATION AND GROWTH

The Indian economy has performed remarkably well, exceeding expectations this year. It was a year marked by significant infrastructure development, exemplified by projects such as the Atal Setu, the new Parliament Building, and various roads, metros, ports, airports, and railway stations.

One does not need an economic survey to witness India's transformation. Everywhere, there are new roads, buildings, flyovers, railway stations, airports, and even temples. The stock market is booming, tax collections are increasing, and digital transformation is pervasive. Almost everyone you interact with has a smartphone with a high-speed data connection, and almost all vendors use QR codes, with cash transactions becoming rare. Energy consumption is rising, and information (and misinformation) is readily accessible. In project Management, daily reports are now replaced by WhatsApp updates, live location sharing, CCTV feeds, video calls, and MS Teams/Zoom calls.

The Indian economy grew by over 7% and is poised for further growth, currently standing as the fifth-largest economy in the world. This year saw Indian industries venture into semiconductor manufacturing, and the Ministry of New and Renewable Energy implemented the National Green Hydrogen Mission, revising their annual outlay to strengthen the country's commitment to Net Zero. Major shipbuilders are flooded with orders, and the expanding river navigation network and freight movement using waterways / sea is increasing demand in the shipbuilding sector. While India's geopolitical situation remained stable, global geopolitical tensions and wars disrupted economies worldwide.

India's National Green Hydrogen Mission (NGHM) is a flagship initiative by the government to establish the Country as a global leader in green hydrogen production, use, and export by 2030 - reaching 5 million metric tons (MMT) of annual green hydrogen production capacity and attracting over US \$96.25 billion in total investments by 2030. The 'Gati Shakti' plans to invest heavily in infrastructure, including highways, ports, railways, and smart cities and allocate over 11 lakh crore rupees to these projects. According to a CRISIL report, India is projected to allocate nearly Rs 143 lakh crore towards infrastructure development over the next seven fiscal years, which is significantly more than the Rs 67 lakh crore spent during the previous seven years. The large spending plan by the Indian Navy is expected to drive the order book of the Indian shipbuilding Companies and more so for the CPSU shipyards.

Given your Company's legacy and track record, this is a dream environment to be in, with abundant opportunities. We are well-positioned to support investments in shipbuilding, where there is already a 6-8 year backlog with government-owned shipyards. Our long association with GRSE shipyard and multiple MoUs with other key stakeholders set us up for significant growth.

In manufacturing high-end process equipment and pressure vessels at Nashik, we are uniquely positioned for scale and scope growth. We have opened a new manufacturing facility at Parli near Mumbai and plan to focus on engineered products like gas storage solutions. This double-digit margin business is expected to strengthen our bottom lines, especially as our expertise in working with all metallurgies, including titanium, becomes more recognized.

The greatest surge in demand is for the storage and movement of various products, driving our tankage and EPC business. With a track record of building hundreds of large storage tanks, we can choose profitable and cash flow positive projects.

Our structural fabrication business is also thriving. We have the capacity to deliver over 1,000 tons per month (with plans to expand to 2,000 tons per month) of structural steel fabricated products. The market is now 'throughput sensitive,' allowing us to charge a price premium for predictable and large volume throughput.

A. Manufacturing and Fabrication:

Thanks to the China + 1 model, besides its own emerging merit as a manufacturing destination - India is being looked upon as an ideal place for setting up a manufacturing base to cater to global requirements by various multinationals. With the slated growth in the industry including large process industries like fertilizer, steel and power industry the Company expects huge demand in process plant equipment's and heavy structural fabrication moreover this Company sees avenue of opportunities in this field with large EPC players including our Holding Company. We find ourselves in a position to be selective and make capital and resource allocation decisions in favour of profitable and cash flow positive projects that strengthen our balance sheet

Further, India aims to increase its refining capacity to 450 MMTA by 2030. Indian oil PSUs plan to invest in oil refining, petrochemical, pipelines and other associated projects. Coal based thermal power generating capacities is planned to increase by 91 GW with an investment of about INR 7.2 lakh crores. Major private process industries and chemical plants are increasing their capacities or setting up new plants. With such encouraging developments, the Company aims to reposition itself to seek more profitable business in manufacturing and fabrication.

B. Ship-Building Industry:

As we look towards the future, revitalizing the Indian ship building industry has now gained a sense of urgency as the Maritime India Vision 2030 aims to move India's shipbuilding and ship repair ranking to the top 10 globally, while the Maritime Amrit Kaal Vision 2047 sets an even more ambitious goal of reaching the top 5. The capital budget for the Indian Navy has been forecasted at about Rs 4.5 lakh crore (until 2027), which comprises a mix of various vessel categories, viz., submarines, destroyers and frigates, aircraft carriers, corvettes, landing platforms, etc. Globally, more than 50,000 ships are to be built over the next 30 years as the shipping industry pivots towards green technology to cut emissions.

With growing requirement for alternative modes of transports, India heralds into inland water transport and also river cruising. The total traffic on national waterways increased from mere 30 MT in year 2014 to 126 MT in year 23, it is expected that this cargo will increase to 200 MT by 2030 and 500 MT by 2047. PM Gati Shakti schemes fuelling this growth. Ship Building and Repair clusters are being developed at strategic locations along the coastal cities of India. Largest Indian Ship Repair facility is being put up at Cochin, this facility is poised to grow to global ship repairing hub.

Indian shipbuilding industry will have a huge market for commercial vessels from Europe and middle east apart from Indigenous requirements. The conversion of diesel ships into green fuel vessels and the growing value for the 'Make in India' brand have will bring a turnaround in the global market. Indian Shipbuilding Industry poised to grow to 8.76 Bn USD by 2028 catering to both commercial and defence market.

Your Company is one of the most well-established names in shipbuilding that does block fabrication, block erection, mechanical packages, has experience with various metallurgies including aluminium - and has tie ups in the form of MoUs with ship designing firms and ship operating firms - while exploring tie ups with smaller shipyards where turnkey ship fabrication can be done at a riverside or sea-side facility. This is one boat that will not sail without us.

C. Tankage & EPC:

The Company has been executing projects of construction of various types and sizes hydrocarbon, chemical storage tanks. EPC projects of smaller magnitude involving core tankages works were also executed in recent past for large process industries. Recent completion of construction of very large diameter floating roof crude oil tanks for PSU Oil Company has added PTR to its long legacy.

With the proposed increase in oil refining capacities and upcoming expansions of oil storage facilities to meet the country demand, both PSU and private sector refiners have planned to increase distributed product storage facilities pan India, the industry is adding more manufacturing derivative products along with oil refining. Further, with encouraging development in air travels, more and more airports are poised to expand, modernise, new airports being constructed, the Company sees opportunity is serving this sector with ATF fuel storage and handling facilities,

With progress in clean fuel the Company expects increase demand for cryogenic product storage. With experience in construction of double wall storage tank construction, the Company will position and focus in this less competitive sector.

D. Product Development:

The Company in past had developed products related to tanks and tank constructions, the Company sees opportunity of reviving this segment to cater to in house and external market. The Company also sees opportunity in developing products related to offshore exploration for global OEM's.

E. Green Hydrogen:

The Company sees a huge potential in the Green Energy Sector. The Company is one of the few players who can offer a complete solution for manufacturing of process equipment's for Gren H2 to storage of cryogenics.

Considering the expected demand and with encouragement from the GoI, the Company exploring for tie ups to seek technology to build / manufacture Green H2 electrolyzers.

With one of its manufacturing facilities located near to Mumbai and within accessible distance from Steel Manufacturing units around the Company contemplating and exploring contribution in Green H2 generation, which will cater to these nearby steel units.

RISK MANAGEMENT

The major identified risk areas for the Company are input cost pressure, rising wages, availability of skilled manpower, contract execution delays due to cascading effect of pandemic, stretched cash flows. The Company also seeks to protect its stakeholders' interests through a robust Project Risk Management (PRM) framework enabling it to match / mitigate identified risk profiles with the expected returns before making any financial commitment.

The contracts cell of the Company oversees the risks that may have adverse effect on the project cost and time schedule. The Operations and the Business Development teams of the Company, take necessary steps to mitigate the risks by prudently bidding for tenders, considering, the various risks which are likely to be involved in project execution and making the business terms clear with the client before taking up the project. The Project Review Committee of Board periodically monitors, evaluates, and reviews strategy to eliminate and minimize risks in coordination with the respective departments.

ENVIRONMENTAL PROTECTION AND SUSTAINABILITY

As the Company operates in an increasingly resource-constrained world, being environmentally conscious and efficient are keys to its operations. The Company has a Corporate Environment, Health, Safety and Quality (EHSQ) Policy to articulate, guide, and adopt an integrated approach towards implementing EHSQ objectives and the Company remains committed towards the said policy. These established systems certified by reputed certifying agencies have helped to monitor and manage our operations systematically, safely and in an environment- friendly manner. The Company continues to abide by regulations concerning the environment by allocating adequate investment and resources on a continuous basis to adopt and implement pollution control measures. Our continuous endeavour to go beyond compliance and conserve natural resources helps to march towards attaining excellence in environmental Management and efficient and sustainable operations as well.

The Company has achieved 3 million safe man hours at the GRSE site, Kolkata; 3 million safe man hours at the Nagpur Unit; and 1 million safe man hours at the Nashik. During the year under review, there were Zero LTIs and Fatality. The Company has also received recognition and appreciation from GRSE and TPL for continual improvement and excellent performance in Occupational Health, Safety & Environment for its projects.

DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND OPERATIONAL PERFORMANCE

The financial position as on March 31, 2024, and performance of the Company during the FY ended on that date is tabulated hereunder:

Overview of our results of operations:

Particulars	₹ in Lakhs	
	2023-24	2022-23
Gross Turnover (including Other Income)	13,163.60	13,239.05
Profit before Interest and Depreciation (EBIDTA)	1463.99	-958.93
Finance Charges	1029.87	1017.25
Depreciation and Amortization	203.73	121.06
Total Expenditure	12933.22	15336.29
Net Profit/(Loss) Before Tax (PBT)	230.38	-2,097.24
Less: Tax expense	-379.94	253.57
Net Profit/(Loss) After Tax (PAT)	610.32	-2,350.81
Other Comprehensive Income	3.51	-0.15
Total Comprehensive income	613.83	-2,350.96
Balance of Profit brought forward	-3,266.29	-915.33
Balance available for appropriation	-2,652.46	-3,266.29
Surplus/(deficit) carried to Balance Sheet	-2,652.46	-3,266.29
Particulars	2023-24	2022-23
Total Income	13,163.60	13,239.05
EBITDA	1463.99	-958.93
EBITDA as % of total Income	11.12%	-7.24%
PAT	610.32	-2,350.81
PAT as % of total Income	4.64%	-17.76%

In FY 2024, Company registered a total revenue from operation of ₹ 13,163.60 lakhs (FY 2023: ₹ 13,239.05 lakhs), slight decrease over previous year.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company's internal control system is commensurate with the nature of its business and the size and complexity of its operations, which provide among other things, reasonable assurance of authorization, recording and reporting of the transactions of its operations in all material aspects. The internal control system is managed through continuous internal audit by outside professionals, duly supported by respective teams. The audit is carried out through an internal audit plan, which is reviewed in consultation with the Audit Committee, which reviews the adequacy of internal control checks in the system across all significant areas of the Company's operations. The Audit Committee also meets the Company's Statutory Auditors to ascertain their views on the financial statements, financial reporting system, internal control system and compliance to accounting policies and procedures. Significant observations made in the internal audit reports on internal control process improvements and the status on implementation of recommended measures are presented to and reviewed by the Audit Committee and the Board of Directors. The Company also has a documented comprehensive internal control manual for all the major processes, viz, payroll, contract labour, human resources, procurement and purchase of material, fixed asset, inventory control, cash Management and foreign exchange transactions, etc., which have been designed to provide reasonable assurance with regard to recording and providing reliable financial information, complying with the applicable statutes, safeguarding of assets from unauthorized use or losses, authorization of transactions and adherence to corporate policies.

HUMAN RESOURCES & INDUSTRIAL RELATIONS

The Human Resources (HR) strategy at the Company is focused on introducing a performance-driven atmosphere in the Company, where innovation is encouraged, performance is rewarded, and employees are motivated to realize the Company's goals. The Company's HR department co-creates all HR strategies along with the Senior Management and the Board to influence change, attract talent and build capabilities. The HR department responds to varied human resources needs of the Company's business to enable the human strategic advantage.

TALENT DEVELOPMENT AND EMPLOYEE ENGAGEMENT

Key components of talent development at the Company are initiating various skill and leadership development program as well as creating a culture of continued employee engagement. During the year, the Company organized 106 training programs with attendance of 176 participants, covering 355 Training Man-days. Safety, Technical Trainings and Compliances were some of the key topics covered during these programs.

TALENT DIVERSITY

The Company aims to create healthy talent and gender diversity. The Company's human capital comprises of 142 employees (including 12 women) across its manufacturing units and at various construction sites. 38% of the Company's human resources is below 35 years. The Company is able to maintain an average employee tenure of 5.31 years with overall average experience of 14.3 years and the annual attrition rate has been 41% in FY24. The Company's has currently employed more than 68.3% of technically qualified workforce.

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Date: 12th August 2024
Place: Mumbai

By Order of the Board
For **Artson Engineering Limited**

Vinayak Pai
Chairman
DIN: 03637894

Independent Auditor's Report

To the Members of Artson Engineering Limited Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Artson Engineering Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of changes in equity and the Statement of Cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the 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 opinion.

Key audit matters

4. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p>Revenue recognition- Income from sale of goods (Refer Note 20 to the financial statements)</p> <p>The Company has recognised revenue of Rs. 8,041.33 lakhs for the year ended March 31, 2024.</p> <p>In accordance with Ind AS 115, Revenue from Contracts with Customers, revenue from sale of goods is recognised at a point in time when:</p> <p>(a) The Company satisfies the performance obligation.</p> <p>(b) Control of the goods is transferred to the customer. Depending on the contractual terms with the customers, control is transferred to the customer either at the time of dispatch or upon delivery to the customer.</p> <p>This requires detailed analysis of the contract terms of each customer contract regarding determination of timing of revenue recognition and is an area of significant Management judgement.</p> <p>We identified this matter as a Key Audit Matter given the significance of the amount to the financial statements and the complexity in assessing the timing of transfer of control to the customers and consequent inherent risk that revenue could be recognized in an incorrect period.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> • Obtained an understanding, evaluated the design and tested the operating effectiveness of key controls relating to timing of revenue recognition. • Evaluated the appropriateness of the Company's revenue recognition accounting policy and assessed whether that is in compliance with Ind AS 115. • Obtained a sample of invoices and verified on a test check basis terms of underlying customer contracts and other supporting documents to assess the timing of satisfaction of performance obligation and transfer of control to the customer to determine whether revenue is recognised appropriately. • Performed cut off procedures to evaluate whether the timing of revenue recognition is in compliance with the terms of customer contracts and the requirements of Ind AS 115. <p>Based on our procedures performed above, we noted no exceptions in the timing of revenue recognition.</p>

Other Information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and those charged with governance for the financial Statements

6. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

8. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
9. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
10. 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.
 11. 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.
 12. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our Auditor's Report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

13. 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 B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
14. 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 except for the matter stated in paragraph 14(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
 - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of changes in equity and the Statement of Cash flows dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the Directors as on March 31, 2024, taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2024, from being appointed as a Director in terms of Section 164(2) of the Act.
 - (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 14(b) above on reporting under Section 143(3)(b) and paragraph 14(h)(vi) below on reporting under Rule 11(g) of the Rules.
 - (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
 - (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, 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 financial statements – Refer Note 42 to the financial statements;
 - ii. The Company has made provision as at March 31, 2024, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts - Refer Note 19. The Company did not have any derivative contracts as at March 31, 2024.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2024.
 - iv.
 - (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in Note 50 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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, as disclosed in the Note 51 to the financial statements, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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 that we 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. The Company has not declared or paid any dividend during the year.
 - vi. Based on our examination, the Company has used accounting software for maintaining its books of account, which has a feature of recording audit trail (edit log) facility and that has operated for part of the year from June 25, 2023 to March 31, 2024 for all relevant transactions recorded in the software. Further, during the course of our audit, we did not notice any instance of the audit trail feature being tampered with.
15. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/ E-300009

Ashish Taksali
Partner

Membership Number: 99625
UDIN: 24099625BKFGHX3508

Place: Mumbai
Date: April 23, 2024

ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 14(g) of the Independent Auditor's Report of even date to the members of Artson Engineering Limited on the financial statements for the year ended March 31, 2024

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Artson Engineering Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. 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 ("the Guidance Note") 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 Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the 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 financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A Company's internal financial controls with reference to 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 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 financial statements

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 3040206E/ E-300009

Ashish Taksali
Partner

Membership Number: 99625
UDIN: 24099625BKFGHX3508

Place: Mumbai
Date: April 23, 2024

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of Artson Engineering Limited on the financial statements as of and for the year ended March 31, 2024

In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.
(B) The Company is maintaining proper records showing full particulars of Intangible Assets.
- (b) The Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 3 to the financial statements, are held in the name of the Company.
- (d) The Company has chosen cost model for its Property, Plant and Equipment (including Right of Use assets) and intangible assets. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.
- (e) Based on the information and explanations furnished to us, no proceedings have been initiated on (or) are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the financial statements does not arise.
- ii. (a) The physical verification of inventory has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
(b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the unaudited books of account. (Also, refer Note 16 to the financial statements)
- iii. The Company has not made any investments, granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under clause 3(iii), (iii)(a), (iii)(b), (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.
- iv. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186. Therefore, the reporting under clause 3(iv) of the Order are not applicable to the Company.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

- vii. (a) In our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of Income tax and employees' state insurance, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and services tax and other material statutory dues, as applicable, with the appropriate authorities.
- (b) There are no statutory dues of income tax, provident fund, employees' state insurance, goods and service tax, service tax, duty of customs, duty of excise, cess and other material statutory dues, which have not been deposited on account of any dispute. The particulars of other statutory dues referred to in sub-clause (a) as at March 31, 2024 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount disputed (Rs. in lakhs)	Amount deposited (Rs. in lakhs)	Period to which the amount relates	Forum where the dispute is pending
Central Sales Tax Act, 1956	Central Sales Tax	37.17	Nil	FY 2007-08	Maharashtra Sales Tax Tribunal
Punjab Value Added Tax Act, 2005	Value Added Tax	3.63	Nil	FY 2009-10	Joint Director cum Deputy Excise & Taxation Commissioner (Appeals)
Punjab Value Added Tax Act, 2005	Value Added Tax	2.32	Nil	FY 2009-10	Excise & Taxation Officer-cum-Officer In-charge

- viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.
- (b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion, the term loans have been applied for the purposes for which they were obtained. (Also, refer Note 14 and 16 to the financial statements).
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been utilised for long-term purposes by the Company.
- (e) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any Subsidiaries, Joint ventures or Associate Companies during the year. Accordingly, reporting under clause 3(ix)(e) of the Order is not applicable to the Company.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any Subsidiaries, Joint ventures or Associate Companies during the year. Accordingly, reporting under clause 3(ix)(f) of the Order is not applicable to the Company.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under 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 or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and as represented to us by the Management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.
- xiv. (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
(b) The reports of the Internal Auditor for the period under audit have been considered by us.
- xv. In our opinion, the Company has not entered into any non-cash transactions with its Directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
(d) Based on the information and explanations provided by the Management of the Company, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) has five CICs as part of the Group as detailed in note 52 to the financial statements. We have not, however, separately evaluated whether the information provided by the Management is accurate and complete.
- xvii. The Company has not incurred any cash losses in the financial year and had incurred cash losses of Rs. 1,707.21 lakhs in the immediately preceding financial year.
- xviii. There has been no resignation of the Statutory Auditors during the year and accordingly the reporting under clause 3(xviii) of the Order is not applicable.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.
- xx. The provisions relating to Corporate Social Responsibility under Section 135 of the Act are not applicable to the Company. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **Price Waterhouse & Co Chartered Accountants LLP**

Firm Registration Number: 304026E/ E-300009

Ashish Taksali

Partner

Membership Number: 99625

UDIN: 24099625BKFGHX3508

Place: Mumbai

Date: April 23, 2024

BALANCE SHEET as at 31st March, 2024

(All amounts are in ₹ Lakhs unless otherwise stated)

Particulars	Note No.	As at 31 st March, 2024	As at 31 st March, 2023
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3	1,327.51	1,195.88
(b) Capital work-in-progress	3	19.83	-
(c) Intangible assets	4 (a)	-	2.99
(d) Right-of-use assets	4 (b)	331.58	22.81
(e) Financial assets			
(i) Trade receivables	5	539.83	564.40
(ii) Other financial assets	6	51.93	33.53
(f) Non-current tax assets (net)		389.29	488.28
(g) Other non-current assets	8	122.93	122.89
Total non-current assets		2,782.90	2,430.78
Current assets			
(a) Inventories	9	2,438.82	3,086.75
(b) Financial assets			
(i) Trade receivables	5	4,522.23	5,352.01
(ii) Cash and cash equivalents	10	12.48	42.92
(iii) Bank balances other than (ii) above	11	0.79	128.39
(iv) Other financial assets	6	3,545.22	3,046.62
(c) Other current assets	8	1,804.45	1,519.30
Total current assets		12,323.99	13,175.99
Total assets		15,106.89	15,606.77
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	12	369.20	369.20
(b) Other equity	13	(277.68)	(1,888.16)
Total equity		91.52	(1,518.96)
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	14	1,191.89	1,592.74
(ii) Lease liabilities	4 (b)	242.50	10.83
(b) Employee benefit obligations	15	87.76	72.99
(c) Deferred tax liabilities (net)	7	564.20	553.25
Total non-current liabilities		2,086.35	2,229.81
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	16	4,836.18	4,295.75
(ii) Lease liabilities	4 (b)	97.55	17.11
(iii) Trade payables	17		
- total outstanding dues of micro enterprises and small enterprises		123.79	151.85
- total outstanding dues of creditors other than micro enterprises and small enterprises		5,256.29	6,777.60
(iv) Other financial liabilities	18	-	7.02
(b) Employee benefit obligations	15	15.00	14.40
(c) Other current liabilities	19	2,600.21	3,632.19
Total current liabilities		12,929.02	14,895.92
Total liabilities		15,015.37	17,125.73
Total equity and liabilities		15,106.89	15,606.77

See accompanying notes forming part of financial statements
This is the Balance Sheet referred to in our report of even date.

For Price Waterhouse & Co Chartered Accountants LLP
FRN: 304026E/ E-300009

Ashish Taksali
Partner
Membership No: 99625

Place: Mumbai
Date: 23rd April, 2024

Shashank Jha
Whole-Time Director & CEO
DIN:10116448

Place: Mumbai

For and on behalf of the Board of Directors

Vinayak Pai
Chairman
DIN:03637894

K Siva Rama Krishna
Chief Financial Officer
Membership No. 223204

Date: 23rd April, 2024

Sanjay Sharma
Director
DIN:00332488

Deepak Tibrewal
Company Secretary
Membership No. F8925



STATEMENT OF PROFIT AND LOSS for the year ended 31st March, 2024

(All amounts are in ₹ Lakhs Except for earnings per share information)

Particulars	Note No.	For the year ended 31st March, 2024	For the year ended 31st March, 2023
I Revenue from operations	20	12,812.04	13,141.50
II Other income	21	65.51	97.55
III Total income (I + II)		12,877.55	13,239.05
IV Expenses			
(a) Cost of materials consumed	22	4,919.36	5,786.31
(b) Changes in inventories of work-in-progress and contracts-in-progress	23	(25.82)	(1,192.58)
(c) Employee benefits expense	24	1,379.99	1,395.37
(d) Finance costs	25	1,029.87	1,017.25
(e) Depreciation and amortisation expense	26	203.73	121.06
(f) Project execution expenses	27	4,437.39	7,284.15
(g) Other expenses	28	702.65	924.73
Total expenses (IV)		12,647.17	15,336.29
V Profit/(Loss) before tax (III-IV)		230.38	(2,097.24)
VI Income tax expense:			
(a) Current tax		-	-
(b) Deferred tax	29	(374.82)	253.57
Total tax expense (VI)		(374.82)	253.57
VII Profit/(Loss) for the year (V - VI)		605.20	(2,350.81)
VIII Other comprehensive income			
(i) Items that will not be reclassified subsequently to the statement of profit and loss			
- Remeasurement gains of post employment benefits on defined benefit plan (net)	32	4.87	(0.21)
(ii) Income tax relating to these items		(1.36)	0.06
IX Total other comprehensive income for the year, net of tax		3.51	(0.15)
X Total comprehensive income for the year (VII + IX)		608.71	(2,350.96)
Earnings per equity share (Face value : ₹ 1)	31		
Basic earnings per share (₹)		1.64	(6.37)
Diluted earnings per share (₹)		1.64	(6.37)

See accompanying notes forming part of financial statements
This is the Statement of Profit and loss referred to in our report of even date.

For Price Waterhouse & Co Chartered Accountants LLP
FRN: 304026E/ E-300009

For and on behalf of the Board of Directors

Ashish Taksali
Partner
Membership No: 99625

Vinayak Pai
Chairman
DIN:03637894

Sanjay Sharma
Director
DIN:00332488

Place: Mumbai
Date: 23rd April, 2024

Shashank Jha
Whole-Time Director & CEO
DIN:10116448

K Siva Rama Krishna
Chief Financial Officer
Membership No. 223204

Deepak Tibrewal
Company Secretary
Membership No. F8925

Place: Mumbai

Date: 23rd April, 2024

STATEMENT OF CASH FLOWS

for the year ended 31st March, 2024

(All amounts are in ₹ Lakhs unless otherwise stated)

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Cash flows from operating activities		
Profit/(Loss) before tax for the year	230.38	(2,097.25)
Adjustments for :		
Finance costs	1,029.87	1,017.25
Interest income	(22.95)	(20.21)
Gain on disposal of property, plant and equipment	-	(12.89)
Provision for onerous contracts	21.41	64.04
Depreciation and amortisation expense	203.73	121.06
Liabilities/provisions no longer required written back	(42.56)	(63.44)
Provision for doubtful debts on trade receivables	-	23.36
Provision for doubtful debts on unbilled revenue	(13.88)	(2.00)
Liabilities written back	(6.61)	-
Unrealised gain on foreign currency transactions	-	(2.40)
	1,399.39	(972.47)
Movements in working capital		
Decrease in Trade Receivables	896.31	168.63
(Increase)/decrease in Inventories	647.93	(2,170.87)
(Increase)/decrease in Other Financial Assets	(507.53)	1,010.99
(Increase) in Other Assets	(314.60)	(285.87)
Increase/(decrease) in Trade Payables	(1,549.37)	85.22
Increase in Employee benefit obligations	20.24	17.92
(Decrease) in Other Financial Liabilities	(7.02)	-
Increase/(decrease) in Other Liabilities	(1,061.90)	1,826.52
Cash used in operations	(476.55)	(319.93)
Less: Income taxes (refund)/paid	(98.99)	123.76
Net cash used in operating activities	(377.56)	(443.69)
Cash flows from investing activities		
Payments for property, plant and equipment	(274.62)	(250.54)
(Increase)/decrease in other bank balances	127.60	(39.25)
Proceeds from disposal of property, plant and equipment	-	28.42
Interest received	19.29	20.21
Net Cash used in investing activities	(127.73)	(241.16)

STATEMENT OF CASH FLOWS for the year ended 31st March, 2024

(All amounts are in ₹ Lakhs unless otherwise stated)

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Cash flows from financing activities		
Proceeds from Borrowings/reassessment of presentation of bank overdrafts *	5,678.42	3,850.00
Repayment of Borrowings	(4,282.45)	(2,349.39)
Finance costs paid	(834.24)	(760.38)
Principal Payment of lease liabilities	(64.70)	(25.78)
Interest Payment of lease liabilities	(22.18)	(4.21)
Net Cash generated from financing activities	474.85	710.24
Net increase/(decrease) in cash and cash equivalents	(30.44)	25.39
Cash and cash equivalents at the beginning of the year	42.92	(2,164.91)
Cash and cash equivalents at the end of the year	12.48	(2,139.52)
Cash and cash equivalents at the end of the year	12.48	42.92
Bank overdraft*	-	(2,182.44)
Cash and cash equivalents at the end of the year	12.48	(2,139.52)

*Presentation of cash flows from bank overdrafts has been reassessed and included under cash flows from financing activities for the year ended 31st March, 2024.

This is the Statement of Cash Flow referred to in our report of even date.

For Price Waterhouse & Co Chartered Accountants LLP

FRN: 304026E/ E-300009

Ashish Taksali

Partner

Membership No: 99625

Place: Mumbai

Date: 23rd April, 2024

Shashank Jha

Whole-Time Director & CEO

DIN:10116448

Place: Mumbai

For and on behalf of the Board of Directors

Vinayak Pai

Chairman

DIN:03637894

Sanjay Sharma

Director

DIN:00332488

K Siva Rama Krishna

Chief Financial Officer

Membership No. 223204

Date: 23rd April, 2024

Deepak Tibrewal

Company Secretary

Membership No. F8925

STATEMENT OF CHANGES IN EQUITY for the year ended 31st March, 2024

(All amounts are in ₹ Lakhs unless otherwise stated)

A. Equity Share Capital

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Balance as at 1 st April	369.20	369.20
Changes in equity share capital during the year	-	-
Balance as at 31st March	369.20	369.20

B. Other Equity

Particulars	For the year ended 31 st March, 2024			For the year ended 31 st March, 2023		
	Retained Earnings	Equity component of compound financial instruments	Total	Retained Earnings	Equity component of compound financial instruments	Total
Balance as at 1 st April	(7,566.85)	5,678.69	(1,888.16)	(5,215.89)	4,896.23	(319.66)
Profit/(loss) for the year	605.20	-	605.20	(2,350.81)	-	(2,350.81)
Other comprehensive income for the year	3.51	-	3.51	(0.15)	-	(0.15)
Financial benefit on the corporate guarantee received from Holding Company	-	4.49	4.49	-	126.51	126.51
Equity portion of the Interest free loan received from the Holding Company	-	1,383.04	1,383.04	-	958.37	958.37
Deferred tax liability on equity component of compound financial instruments	-	(385.76)	(385.76)	-	(302.42)	(302.42)
Balance as at 31st March	(6,958.13)	6,680.46	(277.68)	(7,566.85)	5,678.69	(1,888.16)

This is the Statement of Changes in Equity referred to in our report of even date.

For Price Waterhouse & Co Chartered Accountants LLP
FRN: 304026E/ E-300009

For and on behalf of the Board of Directors

Ashish Taksali
Partner
Membership No: 99625

Vinayak Pai
Chairman
DIN:03637894

Sanjay Sharma
Director
DIN:00332488

Place: Mumbai
Date: 23rd April, 2024

Shashank Jha
Whole-Time Director & CEO
DIN:10116448

K Siva Rama Krishna
Chief Financial Officer
Membership No. 223204

Deepak Tibrewal
Company Secretary
Membership No. F8925

Place: Mumbai

Date: 23rd April, 2024

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

(All amounts are in ₹ lakhs unless otherwise stated)

1 Background and basis of preparation

Artson Engineering Limited ("the Company") is a Company limited by shares incorporated under the erstwhile Companies Act, 1956. The Company's Registered Office is situated at Mumbai. The Company's shares are listed on the Bombay Stock Exchange (BSE) and the Scrip Code is 522134.

The Company was incorporated in the year 1978 and since inception, the Company has commissioned, on turn-key basis, several fuel storage and handling facility systems. The Company is operating in one segment viz. Supply of equipments, steel structure and site services for mechanical works.

2 Basis of preparation

(a) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act), the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

(b) Historical cost convention

The financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities and defined benefit plans (plan assets), which are measured at fair values at the end of each reporting period, as explained in the accounting policies.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

(c) New and amended standards adopted by the Company:

The Ministry of Corporate Affairs vide notification dated 31st March, 2023 notified the Companies (Indian Accounting Standards) Amendment Rules, 2023, which amended certain accounting standards (refer below), and are effective 1st April, 2023:

- Disclosure of accounting policies - amendments to Ind AS 1
- Definition of accounting estimates - amendments to Ind AS 8
- Deferred tax related to assets and liabilities arising from a single transaction - amendments to Ind AS 12

The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(d) Estimates

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the year. Application of accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of assumptions in these financial statements have been disclosed. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Below are the areas involving critical estimates or judgements:

1. Recognition of revenue and estimation of related costs.
2. Impairment of property, plant and equipment

Notes to Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ lakhs unless otherwise stated)

3. Property, plant and equipment

Accounting policy

Property, plant and equipment are carried at historical cost less accumulated depreciation and impairment losses, if any. Depreciation has been provided for on the straight line method as per the useful life prescribed in Schedule II to the Companies Act, 2013, which are as follows:

Nature of assets		Useful life (in years)
(a)	Building	30
(b)	Road	10
(c)	Plant and Equipment	5-15
(d)	Computers	3
(e)	Office equipment	5
(f)	Furniture and fixtures	10
(g)	Electrical Installations	10
(h)	Vehicles	8
(i)	Softwares	3

The residual values are not more than 5% of the original cost of the asset.

Particulars	Buildings	Roads	Plant and Equipment	Computers	Office Equipment	Furniture & Fixtures	Electrical Installations	Vehicles	Total	Capital work-in-progress
Gross carrying amount - Cost/Deemed cost										
Balance as at 1 st April, 2022	212.68	-	1,210.82	88.49	60.98	67.05	23.84	1.82	1,665.68	-
Additions	-	130.62	92.91	4.80	16.44	4.58	-	-	249.35	118.09
Disposals/Transfers	-	-	(18.48)	(52.15)	(2.32)	(8.36)	(0.60)	-	(81.91)	(118.09)
Balance as at 31st March, 2023	212.68	130.62	1,285.25	41.14	75.10	63.27	23.24	1.82	1,833.12	-
Balance as at 1 st April, 2023	212.68	130.62	1,285.25	41.14	75.10	63.27	23.24	1.82	1,833.12	-
Additions	23.12	0.84	190.54	11.05	13.23	4.33	-	11.69	254.80	19.83
Balance as at 31st March, 2024	235.80	131.46	1,475.79	52.19	88.33	67.60	23.24	13.51	2,087.92	19.83

Notes to Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	Buildings	Roads	Plant and Equipment	Computers	Office Equipment	Furniture & Fixtures	Electrical Installations	Vehicles	Total	Capital work-in-progress
Accumulated depreciation										
Balance as at 1 st April, 2022	48.96	-	411.65	64.71	36.14	32.41	15.12	1.24	610.23	-
Depreciation expense	6.25	0.14	64.87	8.37	8.39	4.43	0.81	0.12	93.38	-
Disposals/Transfers	-	-	(8.74)	(49.82)	(2.11)	(5.16)	(0.54)	-	(66.37)	-
Balance as at 31st March, 2023	55.21	0.14	467.78	23.26	42.42	31.68	15.39	1.36	637.24	-
Balance as at 1 st April, 2023	55.21	0.14	467.78	23.26	42.42	31.68	15.39	1.36	637.24	-
Depreciation expense	6.25	12.43	75.75	11.11	11.06	4.95	0.80	0.82	123.17	-
Balance as at 31st March, 2024	61.46	12.57	543.53	34.37	53.48	36.63	16.19	2.18	760.41	-

Particulars	Buildings	Roads	Plant and Equipment	Computers	Office Equipment	Furniture & Fixtures	Electrical Installations	Vehicles	Total	Capital work-in-progress
Net carrying amount										
Balance as at 31 st March, 2023	157.47	130.48	817.47	17.88	32.68	31.59	7.85	0.46	1,195.88	-
Balance as at 31 st March, 2024	174.34	118.89	932.26	17.82	34.85	30.97	7.05	11.33	1,327.51	19.83

3.1 Property, plant and equipment pledged as security

Refer note 14 for information on property, plant and equipment pledged as security by the Company.

3.2 The Company does not own any immovable properties in the nature of lands. Buildings have been constructed on leasehold land not owned by the Company.

3.3 Capital work-in-progress consists of cost incurred for installation of Hydraulic pressing machine. Capital work-in-progress outstanding for the year end 31st March, 2024 is aged less than one year. No Capital work-in-progress whose completion is over due or has exceeded cost compared to its original plan.

3.4 Contractual Obligations

Refer to Note 41 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

Notes to Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ lakhs unless otherwise stated)

4(a) Intangible assets

Particulars	Computer software
Gross carrying amount - Cost/Deemed cost	
Balance as at 1 st April, 2022	46.28
Additions	1.19
Balance as at 31st March, 2023	47.47
Balance as at 1 st April, 2023	47.47
Balance as at 31st March, 2024	47.47

Particulars	Computer software
Accumulated Amortisation	
Balance as at 1 st April, 2022	40.13
Amortisation expense	4.35
Balance as at 31st March, 2023	44.48
Balance as at 1 st April, 2023	44.48
Amortisation expense	2.99
Balance as at 31st March, 2024	47.47

Particulars	Computer software
Net Carrying Amount	
Balance as at 31 st March, 2023	2.99
Balance as at 31st March, 2024	-

Notes to Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ lakhs unless otherwise stated)

4(b) Leases

The Company has taken premises on lease for Corporate office situated at Hyderabad and Factory premises situated at Nagpur and Parli. Leases are recognised as a right-of-use asset and a corresponding liability on the date at which the leased asset is available for use by the Company.

Accounting policy

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the lease payments.

Right-of-use assets are measured at the amount comprising of the initial measurement of lease liability and any lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

i) Right-of-use assets

Particulars	Right-of-use assets
Gross carrying amount - Cost/Deemed cost	
Balance as at 1 st April, 2022	116.13
Balance as at 31st March, 2023	116.13
Balance as at 1 st April, 2023	116.13
Additions	386.34
Balance as at 31st March, 2024	502.47

Particulars	Right-of-use assets
Accumulated Depreciation	
Balance as at 1 st April, 2022	69.99
Depreciation expense	23.33
Balance as at 31st March, 2023	93.32
Balance as at 1 st April, 2023	93.32
Depreciation expense	77.57
Balance as at 31st March, 2024	170.89

Particulars	Right-of-use assets
Net carrying amount	
Balance as at 31 st March, 2023	22.81
Balance as at 31st March, 2024	331.58

Notes to Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ lakhs unless otherwise stated)

ii) Lease liability

Movement in lease liabilities:

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Balance as at 1 st April	27.94	53.72
Additions during the year	376.81	-
Finance cost accrued during the year	22.18	4.21
Payment of lease liabilities	(86.88)	(29.99)
Balance as on 31st March	340.05	27.94

Current and Non Current Classification

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Current Lease Liability	97.55	17.11
Non current Lease Liability	242.50	10.83

Contractual maturities of lease liabilities at undiscounted values

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Within one year	128.83	19.04
Later than one year but not later than five years	235.96	11.24
Later than five years	56.66	-

Incremental borrowing rate considered for lease liability computation is 10.70%.

The rental expenses related to short-term leases for the year ended 31st March, 2024 is ₹ 32.20 (31st March, 2023 ₹ 50.36)
Refer note 28.

Notes to Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ lakhs unless otherwise stated)

5. Trade receivables

Accounting policy

Trade receivables are amounts due from the customers for goods sold and services performed in the ordinary course of business and reflect the Company's unconditional right to consideration (that is, payment is due only on the passage of time).

Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

For trade receivables, the Company applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised on initial recognition.

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Non-Current		
Unsecured, considered good	539.83	564.40
Unsecured, considered doubtful	-	1.24
Allowance for doubtful debts (expected credit loss allowance) (refer notes 5.1 to 5.4 below)	-	(1.24)
	539.83	564.40
Current		
Unsecured, considered good	4,522.23	5,352.01
Unsecured, considered doubtful	-	92.38
Allowance for doubtful debts (expected credit loss allowance) (refer notes 5.1 to 5.4 below)	-	(92.38)
	4,522.23	5,352.01

5.1 Expected Credit Loss Allowance on receivables

The customers of the Company has different credit risk characteristics. The Company at the end of each reporting period, reviews customer wise every receivable balance (including unbilled revenue) and in case of uncertainty with regard to the recovery, a provision for loss allowance is made.

Expected Credit loss provision has not been created for receivables from the Holding Company since the Company considers the life time credit risk of these financial assets to be very low.

5.2 Expected Credit Loss Allowance on other financial assets

The Company at the end of each reporting period, reviews every balance of other financial asset and in case of uncertainty with regard to the recovery, a provision for loss allowance is made.

5.3 Movement in the Expected Credit Loss Allowance

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Balance at the beginning of the year	121.14	421.98
Less: Provision no longer required written back during the year	(41.95)	-
Less: Bad Debts written off during the year	(65.55)	(322.20)
Add: Additional provision for the current year	-	21.36
Balance at the end of the year	13.64	121.14

Notes to Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ lakhs unless otherwise stated)

5.4 Break up of the Expected credit loss allowance

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Allowance for expected credit loss on Non Current Trade Receivables (Note 5)	-	1.24
Allowance for expected credit loss on Current Trade Receivables (Note 5)	-	92.38
Allowance for expected credit loss on Current - Other Financial Assets (Note 6)	13.64	27.52
Total	13.64	121.14

5.5 Trade Receivables ageing schedule for the period ended 31st March, 2024 outstanding for following periods from the due date

Particulars	Not Due	Less than 6 months	6 months - 1 Year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables							
– considered good	3,012.40	804.40	57.34	546.28	641.64	-	5,062.06
– which have significant increase in credit risk	-	-	-	-	-	-	-
Allowance for doubtful debts (expected credit loss allowance)	-	-	-	-	-	-	-
Total	3,012.40	804.40	57.34	546.28	641.64	-	5,062.06

5.6 Trade Receivables ageing schedule for the period ended 31st March, 2023 outstanding for following periods from the due date

Particulars	Not Due	Less than 6 months	6 months - 1 Year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables							
– considered good	1,784.57	1,515.53	1,358.90	1,021.66	235.75	-	5,916.41
– which have significant increase in credit risk	2.03	1.75	1.80	1.89	43.09	43.06	93.62
Allowance for doubtful debts (expected credit loss allowance)	(2.03)	(1.75)	(1.80)	(1.89)	(43.09)	(43.06)	(93.62)
Total	1,784.57	1,515.53	1,358.90	1,021.66	235.75	-	5,916.41

Notes to Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ lakhs unless otherwise stated)

6. Other Financial Assets

Accounting Policy

For other financial assets, the Company provides the expected credit loss by assessing credit risk on case to case basis as required by Ind AS 109.

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Non-Current		
Unsecured, considered good		
Security deposits	26.93	8.53
In deposit accounts with banks remaining maturity for more than 12 months	25.00	25.00
	51.93	33.53
Current		
Unsecured, considered good, unless otherwise stated		
Contractual Reimbursable expenses	330.91	330.91
Less: Allowance for doubtful debts (expected credit loss allowance)	(13.04)	(15.04)
	317.87	315.87
Security deposits	49.20	29.65
Interest accrued on deposits/Arbitration	247.84	244.18
Unbilled Revenue (Refer note 6.1)	2,930.91	2,469.40
Less: Allowance for doubtful debts (expected credit loss allowance)	(0.60)	(12.48)
Total	3,545.22	3,046.62

- 6.1** The entire unbilled revenue balance is undisputed and considered good except to the extent of allowance for doubtful debts. Further, there are no balances other than disclosed which are credit impaired or where there is significant increase in the credit risk.

Notes to Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ lakhs unless otherwise stated)

7. Deferred tax assets/(liabilities) (net)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Deferred tax assets		
On Provision for expected credit loss on trade receivables and other financial assets	3.63	33.70
On Provision for expected claims	13.91	13.91
On Provision for Compensated Absences	19.20	16.57
On Provision for Gratuity	9.39	7.74
On Provision for Bonus	26.78	11.02
On Unabsorbed business losses and Unabsorbed depreciation	353.32	-
On Amortisation of Guarantee Commission relating to Corporate Guarantee issued by the Holding Company	288.07	278.64
On interest expense relating to the interest-free loan received from the Holding Company	139.11	101.63
Sub Total (A)	853.41	463.21
Deferred tax liabilities		
On Equity portion of the Corporate Guarantee issued by the Holding Company	290.24	289.00
On differences in the Net carrying amount of Property, Plant and Equipment as per Income Tax and the Companies Act, 2013	23.23	7.84
On Equity portion of the interest-free loan received from the Holding Company	1,104.14	719.62
Sub Total (B)	1,417.61	1,016.46
Net Deferred tax liabilities (A - B)	(564.20)	(553.25)

Notes to Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ lakhs unless otherwise stated)

Movement in Deferred tax assets/(liabilities) (net)

Financial Year 2023-24	Opening balance	Recognised in Statement of profit or loss	Recognised in Other Comprehensive Income	Recognised in Other Equity	Other adjustments	Closing Balance
Deferred tax (liabilities)/assets in relation to						
Differences in the net carrying amount of Property, Plant and Equipment as per Income Tax and the Companies Act, 2013	(7.84)	(15.39)	-	-	-	(23.23)
Provision for compensated absences	16.57	2.63	-	-	-	19.20
Provision for Gratuity	7.74	1.66	1.36	-	(1.37)	9.39
Provision for expected credit loss on trade receivables and other financial assets	33.70	(30.07)	-	-	-	3.63
Provision for expected claims	13.91	-	-	-	-	13.91
Provision for Bonus	11.02	15.76	-	-	-	26.78
Unabsorbed business losses and Unabsorbed depreciation	-	353.32	-	-	-	353.32
Amortisation of Guarantee Commission relating to Corporate Guarantee issued by the Holding Company	278.64	9.43	-	-	-	288.07
Interest expense relating to the interest-free loan received from the Holding Company	101.63	37.48	-	-	-	139.11
Equity portion of the Corporate Guarantee issued by the Holding Company	(289.00)	-	-	(1.24)	-	(290.24)
Equity portion of the interest-free loan received from the Holding Company	(719.62)	-	-	(384.52)	-	(1,104.14)
Total	(553.25)	374.82	1.36	(385.76)	(1.37)	(564.20)
Previous Year 2022-23	Opening balance	Recognised in Statement of profit or loss	Recognised in Other Comprehensive Income	Recognised in Other Equity		Closing Balance
Deferred tax (liabilities)/assets in relation to						
Differences in the net carrying amount of Property, Plant and Equipment as per Income Tax and the Companies Act, 2013	20.42	(28.26)	-	-	-	(7.84)
Provision for compensated absences	17.33	(0.76)	-	-	-	16.57
Provision for Gratuity	1.94	5.74	0.06	-	-	7.74
Provision for expected credit loss on trade receivables and other financial assets	122.23	(88.53)	-	-	-	33.70
Provision for expected claims	13.91	-	-	-	-	13.91
Provision for Bonus	12.71	(1.69)	-	-	-	11.02
Unabsorbed business losses and Unabsorbed depreciation	208.28	(208.28)	-	-	-	-
Amortisation of Guarantee Commission relating to Corporate Guarantee issued by the Holding Company	241.37	37.27	-	-	-	278.64
Interest expense relating to the interest-free loan received from the Holding Company	70.69	30.94	-	-	-	101.63
Equity portion of the Corporate Guarantee issued by the Holding Company	(253.60)	-	-	-	(35.40)	(289.00)
Equity portion of the interest-free loan received from the Holding Company	(452.60)	-	-	-	(267.02)	(719.62)
Total	2.68	(253.57)	0.06	(302.42)		(553.25)

Notes to Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ lakhs unless otherwise stated)

8. Other Assets

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Non-Current		
Balances with government authorities		
VAT credit receivable	120.38	120.38
Prepayments	2.55	2.51
Total	122.93	122.89
Current		
Balances with government authorities		
GST credit receivable	1,255.15	1,194.16
Advances to staff	3.17	3.09
Advances to suppliers	380.36	123.47
Prepaid expenses	91.67	95.06
Financial benefit on the Corporate Guarantee received from the Holding Company	1.40	30.82
Other Advances	72.70	72.70
Total	1,804.45	1,519.30

9. Inventories

Accounting policy

Raw materials and Work-in Progress are stated at the lower of cost and net realizable value. Cost of raw materials comprises costs of purchases. Cost of work-in-progress comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on the basis of first in first-out (FIFO) basis. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Inventories at lower of cost and net realisable value		
Raw materials	791.29	1,456.72
Work-in-progress	1,572.35	1,459.33
Contracts-in-progress (Refer note (a) below)	69.47	156.67
Scrap (at estimated realisable value)	5.71	14.03
Total	2,438.82	3,086.75

Notes:

- (a) Contracts-in-progress disclosed under Inventories represents costs of construction materials lying at project sites which would be consumed in the next year.

Notes to Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ lakhs unless otherwise stated)

10. Cash and cash equivalents

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Balances with banks in current accounts	12.34	40.09
Cash on hand	0.14	2.83
Total	12.48	42.92

10.1 There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior period. Cash and cash equivalents held in foreign currencies as at 31st March, 2024 is 0.03 (31st March, 2023 - 0.09).

11. Bank balances other than cash and cash equivalents

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
In deposit accounts with maturity more than 3 months but less than 12 months (Refer note (a) below)	0.79	128.39
Total	0.79	128.39

Note (a): The entire amount of 0.79 (31st March, 2023, 128.39) held as lien by banks towards the various non-fund facilities sanctioned by them.

12. Equity Share Capital

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Authorised Share Capital		
150,000,000 equity shares of ₹ 1 each (31 st March, 2023 : 150,000,000)	1,500.00	1,500.00
200,000 preference shares of ₹ 100/- each (31 st March, 2023 : 200,000)	200.00	200.00
	1,700.00	1,700.00
Issued, Subscribed and fully paid up		
36,920,000 fully paid equity shares of ₹ 1 each (31 st March, 2023 : 36,920,000)	369.20	369.20
Total	369.20	369.20

Notes:

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

Particulars	Number of Shares in '000s	Equity Share Capital (Amount ₹ Lakh)
As at 1 st April, 2022	36,920	369.20
As at 31st March, 2023	36,920	369.20
As at 1 st April, 2023	36,920	369.20
As at 31st March, 2024	36,920	369.20

Notes to Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ lakhs unless otherwise stated)

(ii) Terms/rights attached to equity shares

The Company's issued, subscribed and paid-up capital comprises of equity shares only and no preference shares have been issued. The Company's paid-up capital comprises only one class, i.e. equity shares having par value of ₹ 1 per share. They entitle the holder to participate in dividends, and to share in the proceeds of winding up of the Company in proportion to the number of and amounts paid on the shares held.

Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

The liability of the members is limited.

(iii) Restriction on distribution of dividend:

Pursuant to the terms of the loan given by the Holding Company, the Company is not permitted to declare any dividend to the equity shareholders without the payment of loan amount to the Holding Company in full or the approval of the Holding Company.

(iv) No bonus shares have been issued during the last five years.

(v) No shares have been issued for consideration other than cash during the last five years.

(vi) No shares have been bought back during the last five years.

(vii) Shares of the Company held by Holding Company

Particulars	As at 31 st March, 2024		As at 31 st March, 2023	
	Number of Shares in '000s	% of holding	Number of Shares in '000s	% of holding
Equity shares of ₹ 1 each				
Tata Projects Limited, Holding Company	27,690	75	27,690	75

(viii) Details of shareholders holding more than 5% shares

Particulars	As at 31 st March, 2024		As at 31 st March, 2023	
	Number of Shares in '000s	% of holding	Number of Shares in '000s	% of holding
Equity shares of ₹ 1 each				
Tata Projects Limited, Holding Company	27,690	75	27,690	75

(ix) Details of shareholding of promoters:

Particulars	As at 31 st March, 2024			As at 31 st March, 2023		
	Number of Shares in '000s	% of holding	% of change during the year	Number of Shares in '000s	% of holding	% of change during the year
Equity shares of ₹ 1 each						
Tata Projects Limited, Holding Company	27,690	75%	0%	27,690	75%	0%

Notes to Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ lakhs unless otherwise stated)

13. Other equity

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Equity component of Compound financial instruments	6,680.46	5,678.69
Reserves and surplus		
- Retained earnings	(6,958.14)	(7,566.85)
Total	(277.68)	(1,888.16)

13 (a) Reserves and Surplus

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Retained Earnings		
Balance as at the beginning of the year	(7,566.85)	(5,215.89)
Total	(7,566.85)	(5,215.89)
Profit/(Loss) for the year	605.20	(2,350.81)
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurement gains of post employment benefits on defined benefit plan, net of deferred tax	3.51	(0.15)
Balance at the end of the year	(6,958.14)	(7,566.85)

13 (b) Equity component of Compound financial instruments

Accounting policy

In accordance with Ind AS 109, Financial Instruments, the Company recognises the interest free loans from Holding Company at its fair value upon initial recognition. Based on the substance of the transaction, the excess of the loan amount over the fair value of the loan at initial recognition is recognised as an equity contribution from the Holding Company.

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Balance as at the beginning of the year	5,678.69	4,896.23
Add: Financial benefit on the corporate guarantee received from the Holding Company	4.49	126.51
Add: Equity portion of the interest-free loan received from the Holding Company	1,383.04	958.37
Less: Deferred Tax Liability on the equity component of compound financial instruments	(385.76)	(302.42)
Balance at the end of the year	6,680.46	5,678.69

Notes:

- (i) The Company has availed interest free loan from holding Company. As per the requirements of Ind AS 109, the Company has computed the deemed financial benefit on the interest free borrowings and the said benefit has been taken to Other Equity. The amount taken to Other Equity for the year ended 31st March, 2024 is 1,383.04 (31st March, 2023 - 958.37). The effective interest is being accounted in the statement of profit and loss over the period of the loans in accordance with the requirements of Ind AS 109.

Notes to Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ lakhs unless otherwise stated)

14. Non-current borrowings

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Secured - at amortised cost		
Term loan from bank (Refer note (i) and (vi) below)	148.92	752.10
Loans from related parties (Refer note (ii), (iii), (iv) and (v) below)	1,042.97	840.64
Total for non-current borrowings	1,191.89	1,592.74

(i) The amount represents Term Loan of 1,500 availed from DCB Bank by first pari passu charge on movable fixed and current assets of the Company, both present and future. The loan is repayable in 8 equal quarterly installment commencing from 15th month from the date of first disbursement of the facility i.e. 05th April 2022 and carries an interest rate at 12 months MCLR. Additionally, the term loan from bank is guaranteed unconditionally with irrevocable corporate guarantee from the Holding Company.

The principal repayment of 750.00 which is due in next 12 months is disclosed as current maturities of long term borrowing under note 16.

(ii) During the year 2016-17 the Company has received the interest free loan from the Holding Company. During the year 2021-22 Company has revised the terms of the term loan received from the Holding Company of 1,930.39 and inter- corporate deposit received from the Holding Company of 2,100. As per the revised terms, the total loan from the Holding Company is repayable in a single installment at the end of 20 years and not bearing any interest. As per the requirements of Ind AS 109, the loan from Holding Company was recorded at its fair value of 207.10 and the difference of 3,823.29 between the loan received from the Holding Company of 4,030.39 and the fair value of the loan was taken to Other Equity. The loan is secured by mortgage of leasehold land at Nashik.

(iii) During the year 2021-22, the Company has converted its Trade Payables to Holding Company amounting to 1,000.00 into a Term Loan repayable in a single installment at the end of 10 years and not bearing any interest. As per the requirements of Ind AS 109, this loan from Holding Company has been recorded at its fair value of 226.60 as at 30th June, 2021 and the difference of 773.40 between the loan amount of 1,000.00 and the fair value has been taken to Other Equity. The loan is secured by mortgage of leasehold land at Nashik.

(iv) During the year 2022-23, the Company has received an unsecured term loan of 1,000.00 from Holding Company repayable in a single installment at the end of 20 years and not bearing any interest. As per the requirements of Ind AS 109, this loan from Holding Company has been recorded at its fair value of 41.63 as at 31st March, 2023 and the difference of 958.37 between the loan amount of 1,000.00 and the fair value has been taken to other Equity.

(v) During the current year, the Company has received an unsecured term loan of 1,443.22 from holding Company repayable in a single installment at the end of 20 years and not bearing any interest. As per the requirements of Ind AS 109, this loan from Holding Company has been recorded at its fair value of 60.18 as at 31st March, 2024 and the difference of 1,383.04 between the loan amount of 1,443.22 and the fair value has been taken to other Equity.

(vi) During the current year, the Company has received a secured Capex term loan of 176.75 from DCB Bank. The loan is secured by exclusive first charge by way of hypothecation on the machineries/equipment/other assets purchased out of term loan and unconditional and irrevocable corporate guarantee of Holding Company. The loan is repayable in 19 quarterly installment after a moratorium of 3 months from the date of first disbursement of the facility i.e. 15th February, 2024 and carries an interest rate of 10.5% p.a. linked to 91 days T- bill and reset every 3 months.

The principal repayment of 27.83 which is due in next 12 months is disclosed as current maturities of long term borrowing under note 16.

Notes to Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ lakhs unless otherwise stated)

Also refer the table below for the movement in the loan from related party:

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Opening balance	840.64	687.79
Add: Additions during the year	60.18	41.63
Add: Interest accrued during the year	142.15	111.22
Balance as at the end of the year	1,042.97	840.64

(vii) The term loans from banks have been applied for the purposes for which they were obtained.

Net Debt Reconciliation

This section sets out the changes in liabilities arising from financing activities in the statement of cash flows:

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Opening balance as at 1 st April (Current and Non-Current borrowings):	3,706.05	3,045.22
Add: Reassessment of presentation of bank overdrafts*	2,182.44	-
Add: Proceeds from Borrowings	4,235.22	2,844.75
Add: Loan received from Holding Company#	60.18	41.63
Less: Repayments of Borrowings	(4,282.45)	(2,349.39)
Add: Interest expense on the mentioned borrowings	267.11	397.47
Less: Repayment of Interest	(140.48)	(273.63)
Closing balance (Including interest accrued and due)	6,028.07	3,706.05

*Presentation of cash flows from bank overdrafts has been reassessed and included under cash flows from financing activities for the year ended 31st March 2024.

Loan received from Holding Company presented at fair value.

15. Employee benefit obligations

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Non-Current		
Gratuity (Refer Note 32)	24.11	17.74
Compensated Absences	63.65	55.25
	87.76	72.99
Current		
Gratuity (Refer Note 32)	9.64	10.09
Compensated Absences	5.36	4.31
	15.00	14.40
Total	102.76	87.39

Notes to Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ lakhs unless otherwise stated)

16. Current Borrowings

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Secured - at amortised cost		
Loans repayable on demand from banks		
- Bank Overdraft (Refer note (i) below) (including interest accrued)	2,078.47	2,182.44
- Working capital demand loans	1,580.00	1,350.00
Current maturities of Long term borrowings	777.71	763.31
Unsecured- at amortised cost		
Loan from related party (Refer note (iii) below and note 30)	400.00	-
Total	4,836.18	4,295.75

Note:

- (i) Overdraft facilities and Working capital demand loans of 3,658.47 (31st March, 2023 - 3,532.44) are secured by pari passu charge on the inventories, trade receivables and other current assets of the Company. The current interest rates charged by banks range from 10.15% to 11.8% per annum. Additionally, the overdraft facilities and working capital loans aggregating to 3,658.47 (31st March, 2023 - 2,543.14) from banks is guaranteed unconditionally with irrevocable corporate guarantee from the Holding Company.
- (ii) The Company has borrowings from banks which are secured by a charge on the current assets of the Company. As per the terms of the sanction letters, the Company has filed the quarterly statements containing the financial details based on the financial results and statements of current assets filed by the Company with banks are in agreement with the books of accounts. Further, the submission of quarterly returns to banks for 31st March, 2024 is not yet due.
- (iii) During the current year, the Company has entered into an Inter corporate deposit (ICD) agreement with TP Luminaire Private Limited- subsidiary of TATA Projects Ltd. for an amount of 1,000 for a period of 1 year with interest @ 11.25% p.a. As a part of this agreement, during the year, Company has received an amount of 400 from TP Luminaire Private Limited, which is repayable on demand.

17. Trade Payables

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Trade Payables		
Dues of micro and small enterprises under Micro, Small and Medium Enterprises Development Act, 2006 (Refer Note 37)	123.79	151.85
Others	5,256.29	6,777.60
Total	5,380.08	6,929.45

Notes to Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ lakhs unless otherwise stated)

Trade Payables ageing schedule for the year ended 31st March, 2024 outstanding for the following periods from the transaction date

Particulars	Unbilled dues	Less than 6 months	6 months - 1 Year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade payables							
- Micro enterprises and small enterprises	81.00	20.79	22.00	-	-	-	123.79
- Others	2,576.90	985.43	566.68	498.54	503.11	75.63	5,206.29
Disputed trade payables							
- Micro enterprises and small enterprises	-	-	-	-	-	-	-
- Others	50.00	-	-	-	-	-	50.00
Total	2,707.90	1,006.22	588.68	498.54	503.11	75.63	5,380.08

Trade Payables ageing schedule for the year ended 31st March, 2023 outstanding for the following periods from the transaction date

Particulars	Unbilled dues	Less than 6 months	6 months - 1 Year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade payables							
- Micro enterprises and small enterprises	53.89	49.14	20.33	21.53	0.24	6.72	151.85
- Others	1,005.32	4,127.28	445.63	905.79	76.70	166.88	6,727.60
Disputed trade payables							
- Micro enterprises and small enterprises	-	-	-	-	-	-	-
- Others	50.00	-	-	-	-	-	50.00
Total	1,109.21	4,176.42	465.96	927.32	76.94	173.60	6,929.45

18. Other Financial Liabilities

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Current		
Liability for expenses	-	7.02
Total	-	7.02

Notes to Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ lakhs unless otherwise stated)

19. Other Current Liabilities

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
(a) Advances from customers including mobilisation advances (including interest accrued)	1,674.96	2,524.49
(b) Advance billing to customers	320.98	165.25
(c) Statutory dues payable	35.83	407.85
(d) Provision for onerous contracts	35.74	78.29
(e) Employee benefits payable	206.31	138.43
(f) Deposit received against arbitration	317.88	317.88
(g) Accrued Interest payable	8.51	-
Total	2,600.21	3,632.19

20. Revenue from Operations

Accounting policy

The Company recognises revenue on satisfaction of performance obligation to its customer. Revenue is measured based on the consideration specified in a contract with a customer and excludes taxes collected on behalf of the government authorities.

- (i) Revenue from contracts is recognized over a period of time and the Company uses the input method to measure progress of delivery. The cost incurred faithfully depicts the satisfaction of performance obligation and hence input method is used to measure progress of delivery.
- (ii) Revenue from sale of goods is recognized when control of the goods is transferred to the customer. Depending on the contractual terms with the customers, control is transferred to the customer either at the time of dispatch or upon delivery to the customer. Amount disclosed as revenue is net of returns, goods and service tax (GST) and amounts collected on behalf of third parties.
- (iii) Revenue from services rendered is recognised based on the arrangements/ agreements with the customers and when the services are rendered.

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Revenue from contracts with customers		
(a) Income from sale of goods	8,041.33	6,124.27
(b) Income from fabrication activities	1,499.07	1,682.59
(c) Income from contracts	3,000.54	5,006.14
(d) Other operating revenues	271.10	328.50
Total	12,812.04	13,141.50

Notes to Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ lakhs unless otherwise stated)

Unsatisfied long-term contracts:

The following table shows unsatisfied performance obligations resulting from fixed-price long-term contracts.

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Aggregate amount of the transaction price allocated to contracts that are partially unsatisfied as at reporting date	16,303.12	24,844.65

Management expects that 70% (31st March, 2023: 77%) of the transaction price allocated to the partially unsatisfied contracts as of 31st March, 2024 will be recognised as revenue during the next reporting period.

Reconciliation of revenue recognised with contract price:

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Contract price	12,632.70	11,506.49
Adjustments for:		
Contract Modifications in respect of claims raised/Additional work	179.34	1,635.01
Revenue from continuing operations	12,812.04	13,141.50

Critical judgements in recognising revenue

The following are the critical estimates while determining the Revenue from construction activities:

- (i) Estimated Total Costs
- (ii) Estimated Contract Revenue

These estimates may depend on the outcome of future events and may need to be reassessed at the end of each reporting period.

21. Other Income

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
(a) Interest income		
Bank deposits	6.84	9.89
Interest on tax refunds	16.11	10.32
	22.95	20.21
(b) Other non-operating income		
Liabilities/provisions no longer required written back	41.95	63.44
Profit on sale of assets	-	12.89
Miscellaneous Income	0.61	1.01
	42.56	77.34
Total	65.51	97.55

Notes to Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ lakhs unless otherwise stated)

22. Cost of Materials Consumed

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
(a) Opening Stock (including Scrap)	1,470.75	492.46
(b) Purchases	4,267.88	6,777.96
(c) Less: Capitalised during the year	(22.27)	(13.36)
(d) Less: Closing Stock (including Scrap)	(797.00)	(1,470.75)
Total	4,919.36	5,786.31

23. Changes in inventories of work-in-progress and contracts-in-progress

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
(a) Opening Work-in-progress	1,459.33	298.44
Opening Contracts-in-progress (Refer note 9)	156.67	124.98
(b) Less: Closing Work-in-progress	(1,572.35)	(1,459.33)
Less: Closing Contracts-in-progress (Refer note 9)	(69.47)	(156.67)
Total	(25.82)	(1,192.58)

24. Employee benefit expense

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Salaries and wages	1,298.30	1,314.89
Contribution to provident and other funds	58.43	59.42
Staff welfare expenses	23.26	21.06
Total	1,379.99	1,395.37

Notes to Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ lakhs unless otherwise stated)

25. Finance costs

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Interest expense on :		
(i) Borrowings	543.99	506.51
(ii) Mobilisation advances received from customers	44.36	52.56
(iii) Loan received from the Holding Company	142.15	111.22
(iv) Loan received from the Related Party other than Holding Company (Refer note 30)	7.64	-
(v) Delay in payment of statutory dues	0.95	6.37
(vi) Due to micro enterprises and small enterprises	2.36	10.71
(vii) Lease liabilities	22.18	4.21
Guarantee commission on Corporate guarantee received from the Holding Company	33.92	133.97
Other borrowing costs	232.32	191.70
Total	1,029.87	1,017.25

26. Depreciation and amortisation expense

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Depreciation of property, plant and equipment	123.17	93.38
Amortisation of intangible assets	2.99	4.35
Depreciation of right-of-use assets	77.57	23.33
Total	203.73	121.06

27. Project execution expenses

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Cost of erection and other site expenses		
Subcontracting charges for mechanical, civil, manpower and painting works	3,795.29	6,359.10
- Equipment hiring charge	251.01	463.35
- Others	300.71	328.87
Insurance charges	67.50	77.02
Bank guarantee and other charges	22.88	55.81
Total	4,437.39	7,284.15

Notes to Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ lakhs unless otherwise stated)

28. Other Expenses

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Rent (Refer note 4(b))	32.20	50.36
Rates and taxes	28.93	80.66
Repairs on Plant & Machinery	25.77	17.30
Travelling expenses	105.49	68.58
Legal and professional fees (Refer note 39)	165.31	161.77
Postage and telephone	15.56	19.17
Printing and stationery	13.56	22.22
Business development expenses	6.06	4.21
Directors' fees (Refer note 30)	10.60	13.60
Provision for doubtful debts/expected credit losses	-	21.36
Provision for onerous contracts	21.41	64.04
Motor vehicle expenses	57.18	118.99
Electricity and water charges	151.30	210.70
Miscellaneous expenses	69.28	71.77
Total	702.65	924.73

29. Income Taxes

Tax expense in the Statement of Profit and Loss comprises:

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Current Taxes	-	-
Deferred Taxes charge	(374.82)	253.57
Income Tax expense	(374.82)	253.57

Tax expense/(credit) recognised in Other Comprehensive Income comprises:

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Income tax relating to items that will not be reclassified subsequently to Statement of Profit and Loss	(1.36)	0.06
Income Tax expense recognised in Other Comprehensive Income	(1.36)	0.06

Notes to Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ lakhs unless otherwise stated)

Tax expense recognised directly in Equity comprises:

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Aggregate current and deferred tax arising in the reporting period and not recognised in net profit or loss or other comprehensive income but directly debited/(credited) to equity:		
Deferred tax:		
On equity portion of the Corporate Guarantee issued by the Holding Company	1.25	35.19
On equity portion of the Interest - free loan received from the Holding Company	384.51	267.23
Income Tax expense recognised directly in Equity	385.76	302.42

29.1 The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Profit/(Loss) before tax from continuing operations	230.38	(2,097.24)
Tax rate at 27.82% for FY 2023-24 (FY 2022-23 : 27.82%) (A)	64.09	(583.45)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income (B)	6.88	36.81
Effect of non recognition of deferred tax asset on carry forward losses (C)	-	591.93
Effect of recognition of deferred tax asset on carry forward losses (D)	(454.00)	-
Effect of changes in the deferred tax assets recognised in the previous year (E)	-	208.28
Others (F)	8.21	-
Income tax expense (A+B+C+D+E+F)	(374.82)	253.57
Tax expense recognised in profit or loss (relating to continuing operations)	(374.82)	253.57

Notes to Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ lakhs unless otherwise stated)

30. Related party transactions

30.1 Details of related parties

S. No.	Description of relationship	Names of related parties
(i)	Ultimate Holding Company	Tata Sons Private Limited (w.e.f. 27 th October, 2023)
(ii)	Holding Company	Tata Projects Limited
(iii)	Fellow subsidiary	TP Luminaire Private Limited
(iv)	Key Management Personnel	Mr. Vinayak Pai, Chairman (from 23 rd May, 2022 as Director and as Chairman from 12 th July, 2022)
		Mr. Sanjay Sharma, Director
		Mr. Shashank Jha, Whole-Time Director & CEO (from 2 nd January, 2023 as CEO and from 19 th April, 2023 as Whole-Time Director & CEO)
		Mr. Jyotisman Dasgupta, Independent Director (from 19 th April, 2023)
		Mr. Ashish Kulkarni, Independent Director (from 18 th March, 2024)
		Ms. Priya Kher, Independent Director (from 18 th March, 2024)
		Mr. Vinayak Deshpande, Chairman (upto 28 th June, 2022)
		Mr. Pralhad Pawar, Director (upto 17 th August, 2023)
		Ms. Leja Hattiangadi, Independent Director (upto 18 th March, 2024)
		Mr. Sunil Potdar, Independent Director (upto 29 th April, 2023)
		Mr. B V Ramesh Krishna, Manager (from 1 st April, 2022 upto 23 rd December, 2022)
		Mr. K Siva Rama Krishna, Chief Financial Officer
		Mr. Deepak Tibrewal, Company Secretary & Compliance Officer

Notes to Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ lakhs unless otherwise stated)

30.2 Details of related party transactions with the Holding Company

S. No.	Particulars	Transactions during the year ended		Balances outstanding at the end of the year	
		31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
1	Income from sale of goods and fabrication activities	(3,244.95)	(4,616.36)	-	-
2	Income from contracts	(1,299.17)	(2,368.47)	-	-
3	Purchase of Inventory	37.36	184.27	-	-
4	Reimbursement of expenses to Holding Company (including employee deputation cost)	208.37	239.98	-	-
5	Trade receivables	-	-	1,982.81	2,539.53
6	Trade payables	-	-	(1,033.48)	(743.21)
7	Long term borrowings*	1,443.20	1,000.00	(1,042.97)	(840.64)
8	Advances from customers including mobilisation advances	-	-	(692.85)	(711.67)
9	Corporate Guarantees given (Performance guarantees)	-	-	-	1,552.00
10	Corporate Guarantees given by Holding Company (including corporate guarantees given to bankers)	-	-	9,472.84	9,556.04

Note: The Company has utilized the Bank Guarantee and Letter of Credit Limits of Holding Company. The outstanding Bank Guarantee and letter of credits as at 31st March, 2024 is 1,527.33 (31st March, 2023 1,984.03).

Refer note 25 for effective interest on loan received from the Holding Company and guarantee commission on corporate guarantee received from the Holding Company.

* Transaction during the year represents actual amounts received and balance outstanding as at year end represents discounted closing balance.

30.3 Details of related party transactions with the TP Luminaire Private Limited, Fellow subsidiary.

S. No.	Particulars	Transactions during the year ended		Balances outstanding at the end of the year	
		31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
1	Short-term borrowings	400.00	-	400.00	-
2	Interest on loan received	7.64	-	-	-

Notes to Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ lakhs unless otherwise stated)

30.4 Compensation of Key Managerial Personnel

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Short-term benefits	194.61	251.63
Directors' Sitting Fees	10.60	13.60
Total	205.21	265.23

Note: As gratuity and compensated absences are computed for all the employees on an aggregate basis in the actuarial valuation report, the amounts relating to the Key Managerial Personnel cannot be individually identified.

31. Earnings per share of ₹ 1 Face value

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Basic & Diluted earnings per share		
From continuing operations	1.64	(6.37)

Reconciliation of earnings used in calculating earnings per share

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Basic & Diluted earnings per share		
Profit/(Loss) attributable to the equity holders of the Company used in calculating basic earnings per share	605.20	(2,350.81)

Weighted average number of shares used as the denominator

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Weighted average number of equity shares used as the denominator in calculating basic earnings per share (Nos in Lakhs)	369.20	369.20
Weighted average number of equity shares used as the denominator in calculating diluted earnings per share (Nos in Lakhs)	369.20	369.20

32. Employee benefits plans

32.1 Defined Contribution plan

In respect of defined contribution plans, contributions are made to provident fund for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the Government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is 55.51 (31st March, 2023 – 56.54).

32.2 Defined benefit plans

The Company provides gratuity to employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employee's last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to Life Insurance Corporation of India (LIC). The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

Notes to Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ lakhs unless otherwise stated)

(a) The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Discount rate	6.97%	7.15%
Expected rate of salary increase	8.00%	8.00%

(b) Amounts recognised in statement of profit and loss in respect of these defined benefits plans are as follows:

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Service Cost		
Current Service Cost	21.12	18.93
Net Interest expense	1.65	0.37
Components of defined benefit costs recognised in the statement of profit or loss	22.77	19.30

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Remeasurement on the net defined benefit liability :		
Actuarial (Gains)/losses arising from changes in financial assumptions	1.23	(2.43)
Actuarial (Gains)/losses arising from experience assumptions	(6.34)	1.99
Return on plan assets excluding amounts included in Net Interest expense/ (income) on above	0.24	0.65
Components of defined benefit costs recognised in other comprehensive income	(4.87)	0.21

(c) The amount included in the Balance Sheet arising from the Company's obligation in respect of its defined benefit plans is as follows :

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Present value of funded defined benefit obligation	106.37	96.42
Fair value of plan assets	72.62	68.59
Net liability arising from defined benefit obligation	33.75	27.83

(d) Change in Defined benefit obligation during the year

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Opening defined benefit obligations	96.42	80.77
Current service cost	21.12	18.93
Interest Cost	6.53	5.24
Actuarial (Gains)/losses arising from changes in financial assumptions	1.23	(2.43)
Actuarial (Gains)/losses arising from experience assumptions	(6.34)	1.99
Benefits paid (including benefits paid directly by employer)	(12.59)	(8.08)
Closing defined benefit obligation	106.37	96.42

Notes to Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ lakhs unless otherwise stated)

(e) Change in the fair value of the plan assets during the year :

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Opening fair value of plan assets	68.59	73.81
Interest income	4.88	4.89
Return on plan assets (excluding amounts included in net interest expense)	(0.24)	(8.57)
Contribution from the employer	11.98	6.54
Benefits paid	(12.59)	(8.08)
Closing fair value of plan assets	72.62	68.59

(f) Summary of the Funded status of the defined benefit plans for the past five years:

Particulars	2024	2023	2022	2021	2020
Defined Benefit Obligation	106.37	96.42	80.77	67.05	59.23
Fair Value of Plan Assets	72.62	68.59	73.81	62.12	49.21
(Surplus)/Deficit	33.75	27.83	6.96	4.93	10.02

(g) Summary of the Experience adjustments on the defined benefit plans for the past five years

Particulars	2024	2023	2022	2021	2020
Experience Adjustment on Plan Liabilities ((Gain)/ Loss)	(5.11)	(0.44)	(3.75)	(13.42)	(5.15)
Experience Adjustment on Plan Asset ((Gain)/ Loss)	0.24	(0.65)	(1.53)	(3.64)	(3.15)

(h) Sensitivity Analysis - Defined Benefit plan

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Discount rate		
Impact of 1% increase to the defined benefit obligation	(99.85)	(90.36)
Impact of 1% decrease to the defined benefit obligation	113.69	103.24
Salary escalation rate		
Impact of 1% increase to the defined benefit obligation	113.19	102.79
Impact of 1% decrease to the defined benefit obligation	(100.18)	(90.65)

(i) Expected cash flow profile of the benefits to be paid

Particulars	Expected Payout - Year 1	Expected Payout - Year 2	Expected Payout - Year 3	Expected Payout - Year 4	Expected Payout - Year 5	Expected Payout - Year 6 and above
Expected benefits pay out	9.64	13.17	10.22	10.39	11.80	50.71

Notes to Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ lakhs unless otherwise stated)

The weighted average duration of the payment of these cash flows for the year ended 31st March, 2024 is 6.09 years.

Expected contribution to be made to plan assets in the Financial Year 2024-25 is 9.64 (31st March, 2023: 10.09)

32.3 Other long-term employee benefits - Compensated Absences

The Compensated absences cover the Company's liability for earned leave and sick leave

(a) Obligation towards compensated absences and the charge in the Statement of Profit and Loss

Particulars	For the year ended	For the year ended
	31 st March, 2024	31 st March, 2023
Present value of obligation	69.01	59.56
Total	69.01	59.56
Charge in the Statement of Profit and Loss	22.83	19.30

33. Fair Values

The Management assessed that financial assets and financial liabilities approximate their carrying amounts largely due to the short-term maturities, nature of asset or interest bearing nature of these instruments. The fair value of non-current trade receivables can not be measured reliably due to uncertainty regarding the timing of cash flows. 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.

(i) Financial instruments by category

Particulars	Carrying value	
	As at 31 st March, 2024	As at 31 st March, 2023
Financial assets		
At amortised cost		
Trade receivables	5,062.06	5,916.41
Cash and cash equivalents	12.48	42.92
Other bank balances	0.79	128.39
Other financial assets	3,597.15	3,080.15
Total financial assets	8,672.48	9,167.87
Financial liabilities		
At amortised cost		
Borrowings	6,028.07	5,888.49
Trade payables	5,380.08	6,929.45
Lease liabilities	340.05	27.94
Other financial liabilities	-	7.02
Total financial liabilities	11,748.20	12,852.90

Notes to Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ lakhs unless otherwise stated)

(ii) Fair value hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are 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.

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

As at 31 March, 2024	Level 1	Level 2	Level 3	Total
Financial assets				
Trade receivables	-	-	5,062.06	5,062.06
Other financial assets	-	-	3,597.15	3,597.15
Total financial assets	-	-	8,659.21	8,659.21
Financial liabilities				
Borrowings	-	-	6,028.07	6,028.07
Trade payables	-	-	5,380.08	5,380.08
Lease liabilities	-	-	340.05	340.05
Total financial liabilities	-	-	11,748.20	11,748.20

As at 31 March, 2023	Level 1	Level 2	Level 3	Total
Financial assets				
Trade receivables	-	-	5,916.41	5,916.41
Other financial assets	-	-	3,080.15	3,080.15
Total financial assets	-	-	8,996.56	8,996.56
Financial liabilities				
Borrowings	-	-	5,888.49	5,888.49
Trade payables	-	-	6,929.45	6,929.45
Lease liabilities	-	-	27.94	27.94
Other financial liabilities	-	-	7.02	7.02
Total financial liabilities	-	-	12,852.90	12,852.90

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

Notes to Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ lakhs unless otherwise stated)

34. Financial risk management

A. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations. Credit risk is the risk arising from credit exposure to customers, cash and cash equivalents held with banks and current and other financial assets.

(i) Credit risk management

Trade receivables and other financial assets

The Company evaluates the credentials of a customer at a very early stage of the bid. Before participating for any bid, the Company performs verification of customer credentials and ensures the compliance with the following criterion,

- (i) Customer's financial health by examining the audited financial statements
- (ii) Whether the Customer has achieved the financial closure for the work for which the Company is bidding
- (iii) Brand and market reputation of the customer
- (iv) Details of other contractors working with the customer
- (v) Where the customer is Public Sector Undertaking, sanction and availability of adequate financial resources for the proposed work

The Company regularly monitors the ageing of trade receivables and other financial assets. The Company believes that the unimpaired amounts that are past due are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk.

Trade receivables consist of large number of customers, spread across diverse industries and geographical areas. Majority of the customers of the Company comprise of Public Sector Undertakings, with whom the Company does not perceive any default risk, however there would be a credit risk on account of delays in payments. Additionally the Company has significant revenue contracts with Holding Company, Tata Projects Limited, the credit risk for these transactions has been considered minimal. As regards the customers from private sector, the Company carries out financial evaluation on regular basis and provides for any amount perceived as non realisable, in the books of accounts.

- (ii) Refer note 5.1 of the Financial Statements for expected credit loss.

For cash and cash equivalents and deposits with banks, only high rated banks are accepted. Based on the assessment of credit risk rating grades of banks where balances are held, the Management considers the balances with banks are not impaired.

B. Liquidity risk

The Company's liquidity requirements are met by a balanced mix of borrowings and project cash flows. Cash flow forecast is made for all projects on monthly basis and the same are tracked for actual performance on daily basis. Shortfall in cash flows are matched through short term borrowings and other strategic financing means. The daily project requirements are met by allocating the daily aggregated cash flows among the projects.

(i) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Secured Borrowings:		
Floating rate		
Expiring within one year (bank overdraft and working capital demand loan)	241.53	367.56

Notes to Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ lakhs unless otherwise stated)

(ii) Maturities of financial liabilities

The table below provides for non-derivative financial liabilities relevant maturity groupings based on their undiscounted contractual maturities.

As at 31 st March, 2024	Less than 1 year	1-2 years	2-5 years	> 5 years	Total
Trade payables	5,380.08	-	-	-	5,380.08
Borrowings	4,904.34	50.76	128.82	7,473.59	12,557.51

As at 31 st March, 2023	Less than 1 year	1-2 years	2-5 years	> 5 years	Total
Trade payables	6,929.45	-	-	-	6,929.45
Borrowings	4,411.13	799.28	-	6,030.39	11,240.80
Other financial liabilities	7.02	-	-	-	7.02

C. Market risk

(i) Foreign currency risk

The Company primarily operates domestically and is not significantly exposed to foreign currency risk.

(a) Foreign currency risk exposure

The carrying amounts of the Company's foreign currency denominated monetary assets at the end of the reporting period are as follows:

Particulars	Year ended 31 st March, 2024 (₹ in Lakhs)		Year ended 31 st March, 2023 (₹ in Lakhs)	
	USD	KWD	USD	KWD
Cash and Cash equivalents	-	0.03	-	0.09
Trade Receivables	-	-	12.71	-
Net assets /(liabilities)	-	0.03	12.71	0.09

(b) Foreign Currency sensitivity analysis

The above exposures when subjected to a sensitivity of 10% have the following impact:

Particulars	Currency	Impact on loss after tax with increase in rate by 10%		Impact on loss after tax with decrease in rate by 10%	
		As at 31 st March, 2024	As at 31 st March, 2023	As at 31 st March, 2024	As at 31 st March, 2023
US Dollars	USD	-	(1.27)	-	1.27
Kuwait Dinar	KWD	*	(0.01)	*	0.01

* Below the rounding off norms adopted by the Company.

Notes to Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ lakhs unless otherwise stated)

(ii) Interest rate risk

(a) Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period is as follows:

	31 st March, 2024	31 st March, 2023
Variable rate borrowings	4,585.10	5,047.85
Total Borrowings	4,585.10	5,047.85

(b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

	Impact on Profit or Loss	
	31 st March, 2024	31 st March, 2023
Interest rates-increase by 50 basis points	22.93	25.24
Interest rates-decrease by 50 basis points	(22.93)	(25.24)

(c) The Company does not have any forward foreign exchange contracts during the current and previous year.

35. Capital Management

The Company's business model is working capital centric. The Company manages its working capital needs and long-term capital expenditure, through a balanced mix of capital (including retained earnings) and short-term debt.

The capital structure of the Company comprises of net debt (borrowings reduced by cash and bank balances) and equity.

The Company is not subject to any externally imposed capital requirements.

The Company reviews its capital requirements on an annual basis, in the form of Annual Operating Plan (AOP). The AOP of the Company aggregates the capital required for execution of projects identified and the financing mechanism of such requirements is determined as part of AOP.

The Company's debt to adjusted capital ratio at the end of the reporting period was as follows:

Particulars	31 st March, 2024	31 st March, 2023
Total debt	6,028.07	5,888.49
Less : Cash and Cash equivalents and other bank balances	13.27	42.92
Net debt	6,014.80	5,845.57
Total equity	91.52	(1,518.96)
Net debt to equity ratio	65.72	(3.85)

The change in net debt to equity ratio for the current year is mainly on account of increase in equity due to profits earned during the year and due to equity component accounted on loan taken from Holding Company during the year.

Notes to Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ lakhs unless otherwise stated)

36. Segment information

The Company's Management consisting of the Chief executive officer and the Chief financial officer examines the Company's performance in only one business segment viz. Supply of equipments, steel structure and site services for mechanical works. Therefore, segment-wise reporting under Ind AS 108 is not applicable. The Company's entire revenue is earned in India and also, entire non-current assets are situated in India.

37. Disclosure in accordance with Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:

According to information available with the Management, on the basis of intimation received from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the Company has the following amounts due to micro and small enterprises under the said Act:

Disclosure under Section of Micro, Small and Medium Enterprises Development Act, 2006

S. No	Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
i	Principal amount remaining unpaid to any supplier as at the end of the accounting year#	67.54	97.96
ii	Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	2.36	10.71
iii	The Amount of interest paid along with the amounts of the payment made to suppliers beyond the appointed day	-	-
iv	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 interest specified under the MSMED Act	-	-
v	The amount of interest accrued and remaining unpaid at the end of the accounting year	56.25	53.89
vi	The amount of further interest due and payable even in the succeeding year, 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	56.25	53.89

amounts unpaid to micro and small enterprises on account of retention money has not been considered for the purpose of interest calculations.

Dues to the Micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

38. Significant customers

Three customers individually accounted for more than 10% of the revenues in the year ended 31st March, 2024 (31st March, 2023: Two customers individually accounted for more than 10% of the revenues).

Notes to Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ lakhs unless otherwise stated)

39. Legal and professional fees include Auditors' remuneration as below

Nature of Services	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Audit fees	14.25	14.25
Tax Audit fees	1.15	1.15
Reimbursement of expenses	1.54	1.22
Total	16.94	16.62

40. Corporate social responsibility expenditure

Corporate social responsibility under section 135(5) of the Act is not applicable to the Company for the current year and previous year due to losses.

Details of excess CSR expenditure under Section 135(5) of the Act

Balance excess spent as at 1 st April, 2023	Amount required to be spent during the year	Amount spent during the year	Balance excess spent as at 31 st March, 2024
4.20	-	-	4.20

41. Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is - Nil (31st March, 2023 - Nil).

42. Contingent liabilities

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Contingent liabilities		
Claim against the Company not acknowledged as debts		
Matters under dispute:		
(i) Sales Tax Matters/ Value Added Tax Matters	43.12	43.12
(ii) Third party claims from disputes relating to contracts/employment	66.32	66.32
	109.44	109.44

43. The Company have significant accumulated losses as at 31st March, 2024.

The Management, including the Board of Directors of the Company, performed an assessment of the Company's ability to continue as a going concern. Considering the following aspects, the Management and the Board of Directors have assessed that the Company would be able to meet its cash flow requirements for the next twelve months from the date of these financial statements and have accordingly, prepared these financial statements on a going concern basis.

- Tata Projects Limited, Holding Company has provided a letter of support to provide adequate business, financial and operational support to the Company, to enable it to meet its financial obligations and to continue its operations.
- Review of the approved business plan and the future cash flow projections.

Notes to Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ lakhs unless otherwise stated)

44. Key Financial ratios

S. No	Particulars	Numerator	Denominator	As at 31 st March, 2024	As at 31 st March, 2023	Variance %	Reason (for variance in excess of 25%)
1	Current Ratio	Total current assets	Total current liabilities	0.95	0.88	8%	Not applicable
2	Debt-equity ratio (no of times)	Borrowings (Current + Non-current)	Total Equity	65.87	(3.88)	Refer reason	In the previous year, the total equity was negative resulting in negative ratio. In the current year, the ratio is positive. In view of this, the variance % is not presented.
3	Debt service coverage ratio (no of times)	Profit/(Loss) before tax+Interest cost+Depreciation and amortisation expense+other non cash items as included in the statement of cash flows.	Interest and lease payments + Repayment of Borrowings during the current year	0.28	(0.32)	188%	The change in ratio when compared to previous year is mainly on account of increase in profits during the year due to- - Reduction in revenue from contracts having negative margins. - Increase in fabrication revenue led by execution of high margin fabrication contracts.
4	Inventory turnover ratio	Cost of materials consumed and changes in inventories of work-in-progress and contracts-in-progress	Average Inventory	1.77	2.30	-23%	Not applicable
5	Trade receivables turnover ratio	Revenue from operations	Average Trade receivables (Non current & Current)	2.33	2.19	6%	Not applicable
6	Trade payables turnover ratio	Credit expenses during the year	Average Trade payables	1.63	2.03	-20%	Not applicable
7	Net capital turnover ratio	Revenue from operations	Current assets - Current liabilities	(21.18)	(7.64)	177%	The change in ratio when compared to previous year is mainly on account of decrease in net current liabilities as at current year end.
8	Net profit ratio	Profit/(Loss) for the year	Revenue from operations	5%	-18%	128%	The change in ratio when compared to previous year is mainly on account of increase in profits during the year due to- - Reduction in revenue from contracts having negative margins. - Increase in fabrication revenue led by execution of high margin fabrication contracts.
9	Return on Capital employed	Profit/(Loss) before tax + Interest on Borrowings	Tangible Networth + Borrowings (Current and Non current) + Deferred Tax Liability	16.72	(20.05)	183%	The change in ratio when compared to previous year is mainly on account of increase in profits during the year due to- - Reduction in revenue from contracts having negative margins. - Increase in fabrication revenue led by execution of high margin fabrication contracts.

Note 1: The Company has not made any investments during the period ended 31st March, 2024 and 31st March, 2023 respectively. Accordingly, the ratio pertaining to Return on investment has not been disclosed.

Note 2: The Company has negative average equity in current year and previous year. Accordingly, the ratio pertaining to Return on equity has not been disclosed.

Notes to Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ lakhs unless otherwise stated)

Note 45: Summary of other accounting policies

This note provides a list of other accounting policies adopted in the preparation of these financial statements to the extent they have not already been disclosed in the other notes. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Property, plant and equipment

The historical cost of Property, Plant and Equipment comprises its purchase price and other attributable expenditure and interest on borrowings incurred up to the date the asset is ready for its intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Property, Plant and Equipment retired from active use and held for sale are stated at the lower of their net book value and net realizable value and are disclosed separately.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

b) Intangible Assets:

Intangible assets comprise of the application and other software procured. The intangible assets are capitalised on implementation of such software and comprises of the prices paid or procuring the licences and implementation cost of such software.

c) Leases

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

d) Financial Instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

- (i) Financial assets carried at amortized cost: - Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in Other income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in profit or loss and presented in other gains/(losses).

Notes to Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ lakhs unless otherwise stated)

- (ii) Financial assets at fair value through other comprehensive income (FVOCI): - Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognized in profit and loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses).
- (iii) Financial assets at fair value through profit or loss: - Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognized in profit or loss and presented net within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.
- (iv) Financial liabilities: - Financial liabilities are measured at amortized cost using the effective interest method.

Derecognition of Financial Assets

A financial asset is derecognized only when

1. The Company has transferred the rights to receive cash flows from the financial asset or
2. Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

Offsetting financial instruments

Financial Assets and Liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

e) Revenue recognition

Determination of transaction price and its subsequent assessment:

The Company assesses the transaction price considering the contract price as agreed with the customer in the contract document, that includes Letter of Acceptance/Intent or any document evidencing the contractual arrangement. The consideration recognized is the amount which the company assesses to be highly probable not to result in a significant reversal in future periods.

Modification(s) to an existing contract, if any, are assessed to be either a separate performance obligation or an extension of existing scope and transaction price is determined accordingly. The Company considers the retention moneys held by customer to be protection money in the hands of the customers and hence are not subjected to discounting pursuant to para 61 and 62(c) of Ind AS 115. The mobilisation advances received, free of interest, from customers, also are not subjected to discounting, as the Company considers the objective behind the transaction to be that of ensuring and protecting timely execution of the project and not deriving financial benefit in the nature of interest.

Notes to Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ lakhs unless otherwise stated)

The significant payment terms are as per the terms and conditions agreed as per the contract.

Performance obligations in a contract with customer

Company determines the performance obligations, considering the nature and scope of each contract.

Measuring Progress of a construction contract

When the outcome of individual contracts can be estimated reliably, contract revenue and contract costs are recognized as revenue and expenses respectively by reference to the stage of completion as at the reporting date. The stage of completion is determined on the basis of proportion of cost of work performed to-date, to the total estimated contract costs. Costs are recognized as incurred and revenue is recognized on the basis of the proportion of total actual costs as at the reporting date, to the estimated total costs of the contract.

For the purpose of recognising revenue, contract revenue comprises the initial amount of revenue agreed in the contract, the variations in contract work, claims and incentive payments to the extent that is probable they will result in revenue, and they are capable of being reliably measured.

The percentage of completion method is applied on a cumulative basis in each accounting year to the current estimates of contract revenue and contract costs. The effect of a change in the estimate of the outcome of a contract is accounted for as a change in accounting estimates and the effect of which is recognized in the Statement of Profit and Loss in the year in which the change is made and in subsequent years.

When the outcome of a construction contract cannot be estimated reliably, revenue is recognized only to the extent of contract costs incurred of which recovery is probable and the related contract costs are recognized as an expense in the year in which they are incurred.

When it is probable that the total contract cost will exceed total contract revenue, the expected loss is recognized as an expense in the Statement of Profit and Loss in the year in which such probability occurs.

Provision is made for all known or expected losses on individual contracts once such losses are foreseen. Revenue in respect of variations to contracts and incentive payments is recognized when it is probable it will be agreed by the customer.

Contract assets and Contract liabilities

If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, such amount is recognized as a contract asset, excluding any amounts presented as a receivable. The contract asset becomes receivable when the entity's right to consideration is unconditioned, which is the case when only passage of time is required before payment of consideration is due. The contract asset represents the Company's right to consideration in exchange for goods or services that the Company has transferred to the customer. The Company assesses a contract asset for impairment in accordance with Ind AS 109. An impairment of a contract asset shall be measured, presented and disclosed on the same basis as a financial asset that is within the scope of Ind AS 109.

If the customer pays consideration, or an Company has a right to an amount of consideration that is unconditional, before the Company transfers a good or service to the customer, such amount is recognized as a contract liability. The contract liability represents the Company's obligation to transfer goods or services to the customer for which the Company has received consideration from the customer.

f) Other income

- (i) Interest income is accrued on a time basis using the effective interest method by reference to the principal outstanding and the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.
- (ii) Any amount received/receivable in respect of Arbitration Awards in favour of the Company is treated as income of the year of receipt of the award.

Notes to Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ lakhs unless otherwise stated)

g) Taxation

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in India in accordance with the provisions of the Income Tax Act, 1961. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

h) Impairment of assets

All Property, Plant and Equipment are tested for impairment at the end of each financial year. The impairment loss being the excess of carrying value over the recoverable value of the assets, if any, is charged to the Statement of Profit and Loss in the respective financial year. The impairment loss recognized in prior years is reversed in cases where the recoverable value exceeds the carrying value, upon reassessment in the subsequent years.

i) Cash and cash equivalents

For the purpose of presentation in the Statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value

j) Trade and Other Payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

k) Borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other gains/(losses).

Notes to Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ lakhs unless otherwise stated)

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the Company does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

I) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those each flows.

A contingent liability is:

- (a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company; or
- (b) a present obligation that arises from past events but is not recognized because:
 - (i) an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - (ii) The amount of the obligation cannot be measured with sufficient reliability.

When it is probable at any stage of the contract that the total cost will exceed the total contract revenue, the expected loss is recognized immediately.

m) Employee Benefits

i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

Other long-term employee benefits comprise of earned leave and sick leave compensated absences that are not expected to be settled wholly within 12 months after the end of the period in which the employees renders related services. These obligations are therefore measured as the present value of expected future payments and expected utilisations (in case of sick leaves) to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity.
- (b) defined contribution plans such as provident fund.

Notes to Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ lakhs unless otherwise stated)

(a) Defined benefit plans - Gratuity

The liability or asset recognized in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The gratuity plan is a funded plan and the Company makes contributions to Life Insurance Corporation of India (LIC). The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The estimated future payments which are denominated in a currency other than INR, are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

(b) Defined contribution plan

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due

n) Earnings Per Share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year.

(ii) Diluted Earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

o) Operating cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle. The operating cycle is the time between acquisition of assets for construction/fabrication activities and their realization in cash and cash equivalents. Based on the nature of activities performed and time between acquisition of assets for construction/fabrication activities and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months.

Notes to Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ lakhs unless otherwise stated)

p) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

46. The Company has no transactions with the Companies struck off under Companies Act, 2013 or Companies Act, 1956.
47. There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
48. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
49. The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
50. The Company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
51. The Company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
52. The Company is a subsidiary of Tata Projects Limited and forms part of the TATA Group (the "Group"). The Group includes the following Core Investment Company (CIC) in its structure:
 - a) Tata Industries Limited (registered with RBI)
 - b) Tata Sons Private Limited (registered with RBI)
 - c) Pantalone Finvest Limited (registered with RBI)
 - d) TMF Holding Limited (registered with RBI)
 - e) T S Investments (not registered with RBI)
53. The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.
54. **Valuation of property, plant and equipment and intangible asset**

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
55. **Compliance with approved schemes of arrangements**

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

Notes to Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ lakhs unless otherwise stated)

56. Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

As per our report of even date

For Price Waterhouse & Co Chartered Accountants LLP
FRN: 304026E/ E-300009

For and on behalf of the Board of Directors

Ashish Taksali

Partner

Membership No: 99625

Vinayak Pai

Chairman

DIN:03637894

Sanjay Sharma

Director

DIN:00332488

Place: Mumbai

Date: 23rd April, 2024

Shashank Jha

Whole-Time Director & CEO

DIN:10116448

K Siva Rama Krishna

Chief Financial Officer

Membership No. 223204

Deepak Tibrewal

Company Secretary

Membership No. F8925

Place: Mumbai

Date: 23rd April, 2024

ARTSON ENGINEERING LIMITED

CIN: L27290MH1978PLC020644

(A Subsidiary of Tata Projects Limited)

Registered office: 2nd Floor, One Boulevard, Lake Boulevard Road, Hiranandani Business Park, Powai, Mumbai - 400076, Maharashtra
Phone: +91 40 6601 8194; Email: investors@artson.net; Website: www.artson.net

SHAREHOLDERS DETAILS UPDATION FORM

To
Link Intime (India) Private Limited,
(Unit: Artson Engineering Limited)
C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai - 400083, Maharashtra
Email ID: rnt.helpdesk@linkintime.co.in

I /we hereby request you to record/ update the following details against my/ our folio no.:

Name of the Sole/ First named shareholder	:
Folio No.	:
Full Address (with pin code)	:
CIN / Registration number: *	:
(applicable to corporate shareholders)	
E-mail Id (to be registered)	:
PAN no. *	:
(of the sole/ first named shareholder)	
Phone / Mobile number	:

*self-attested copy of the document enclosed

Bank Details:

IFSC	:
MICR	:
Bank A/c type	:
Bank Account No.@	:
Name of the Bank	:
Name of the Branch	:
Bank Branch Address	:

@ A blank cancelled cheque is enclosed to enable verification of bank details

I/ We hereby declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete information, I / we would not hold the Company / RTA responsible. I /We undertake to inform any subsequent changes in the above particulars as and when the changes take place. I / We understand that the above details shall be maintained till I / we hold the securities under the above mentioned Folio No. / Beneficiary account.

Place:
Date:

.....
Signature of Sole/ First Shareholder

REQUEST FOR KYC UPDATION

Dear Shareholders,

Subject: Request to update KYC details pursuant to SEBI Circular bearing reference nos. SEBI / HO / MIRSD / POD-1 / P / CIR / 2023 / 181 dated November 17, 2023 & SEBI / HO / MIRSD / MIRSD-PoD- 1 / P / CIR / 2023 / 37 dated March 16, 2023 (now rescinded due to issuance of Master Circular dated May 07,2024) & SEBI / HO / MIRSD / POD-1 / CIR / 2024 / 81 dated June 10, 2024 SEBI directive vide e-mail to RTA on January 23, 2024

We refer to the above circulars issued by SEBI that mandates all the Listed Companies to record PAN, Address with PIN code, Mobile Number, Bank Account details, Specimen Signature of physical securities. Email Address and Nomination of shareholders is optional, the security holders are requested to register Nomination and email address to avail online services. This is applicable for all security holders holding shares in physical mode.

The salient features and requirements of the circular are as follows:

- A) In case of non-updation of PAN or Contact Details or Mobile Number or Bank Account Details or Specimen Signature in respect of physical folios, dividend/interest etc. shall be paid only through electronic mode with effect from April 01, 2024, upon furnishing all the aforesaid details in entirety.
- B) If a security holder updates the PAN, Contact Details including Mobile Number, Bank Account Details and Specimen Signature after April 01, 2024, then the security holder would receive all the dividends/interest etc. declared during that period (from April 01, 2024 till date of updation) pertaining to the securities held after the said updation automatically.

In this connection, we request you to comply with required mandatory fields on top priority:

Name of the Security holder(s)	PAN and Aadhar Link (Mandatory) (A)	Specimen Signature (Mandatory) (B)	Mobile No. (Mandatory) (C)	Nominee Details (Optional) (D)	Email ID (Optional) (E)
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Bank Details:

Name of the Bank	
Bank Account Number	Account Type
IFSC	MICR No

Email address and choice of nomination even though optional, security holders are encouraged to provide the same in their own interest.

The formats for nomination and updation of KYC details viz; Forms ISR-1, ISR-2, ISR-3, SH-13, SH-14 and SEBI circulars are available on the website of the Company’s RTA as mentioned below:

<https://www.linkintime.co.in> Resources→ Downloads→KYC →Formats for KYC.

We would request you to comply with the above requirements at the earliest.

Note: Shareholders holding shares in physical form are requested to kindly convert shares from physical form to demat form at the earliest possible as it will be beneficial for market liquidity

ARTSON ENGINEERING LIMITED

CIN: L27290MH1978PLC020644

(A subsidiary of Tata Projects Limited)

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Phone: +91 40 6601 8194; Email: investors@artson.net; Website: www.artson.net

DEMATERIALIZATION OF SHARES

Introduction:

In order to mitigate the risks associated with share trading in paper format, concept of dematerialization was introduced in Indian Financial Market. Dematerialization (Demat) in short is the process through which an investor's physical share certificate gets converted to electronic format which is maintained in an account with the Depository Participant (DP). The ownership thereof is entered into and retained in a fungible form on a Depository by way of electronic balances. The name of the Shareholder is registered as a Beneficial Owner.

Depository

Depository is the body which is responsible for storing and maintaining investor's securities in demat or electronic format. In India there are two depositories i.e. NSDL and CDSL.

Advantages of Demat

Dealing in demat format is beneficial for investors, brokers and Companies alike. It reduces the risk of holding shares in physical format from investor's perspective. From share issuing Company's perspective, issuance in demat format reduces the cost of new issue as papers are not involved. Efficiency and timeliness of the issue is also maintained while Companies deal in demat form.

The benefits of conversion of shares in to demat form to the common investor are listed herein below:

- No stamp duty payable on transfer of shares.
- Safer and quicker process of transfer/ trading of shares.
- Faster settlement cycle.
- Faster disbursement of non-cash corporate benefits like rights, bonus etc.
- Demat form reduces the risk of bad deliveries.
- Time and money is saved as you are not dealing in paper now. You need not go to the notary, broker for taking delivery or submitting the share certificate.
- Liquidity is very high in case of demat format as whole process is automated.
- All the benefits of corporate action like bonus, stock split, rights etc. are managed through the depository leading to elimination of transit losses.
- Interest on loan against demat shares are less as compared to physical shares.
- One needs to pay less brokerage in case of demat shares.
- Periodic status reports and information available on internet thereby facilitating convenience in monitoring shareholding in all the Companies.

Procedure to be followed for dematerialization of shares:

- The Shareholder has to fill up a Demat Request Form (DRF) and has to submit to the Depository Participant (DP) the DRF as well as the defaced share certificate;
- The concerned DP will verify the details and if found in order, it will generate a Demat Request Number (DRN) and intimate the Depository and Registrar and Share Transfer Agent (RTA) through e-system. Simultaneous to this, the DP will send the DRF and share certificate to RTA;
- RTA will verify the details of the electronic request as well as those mentioned in the DRF and Share Certificates with the records maintained by it.

When demat request is found valid in all respects:

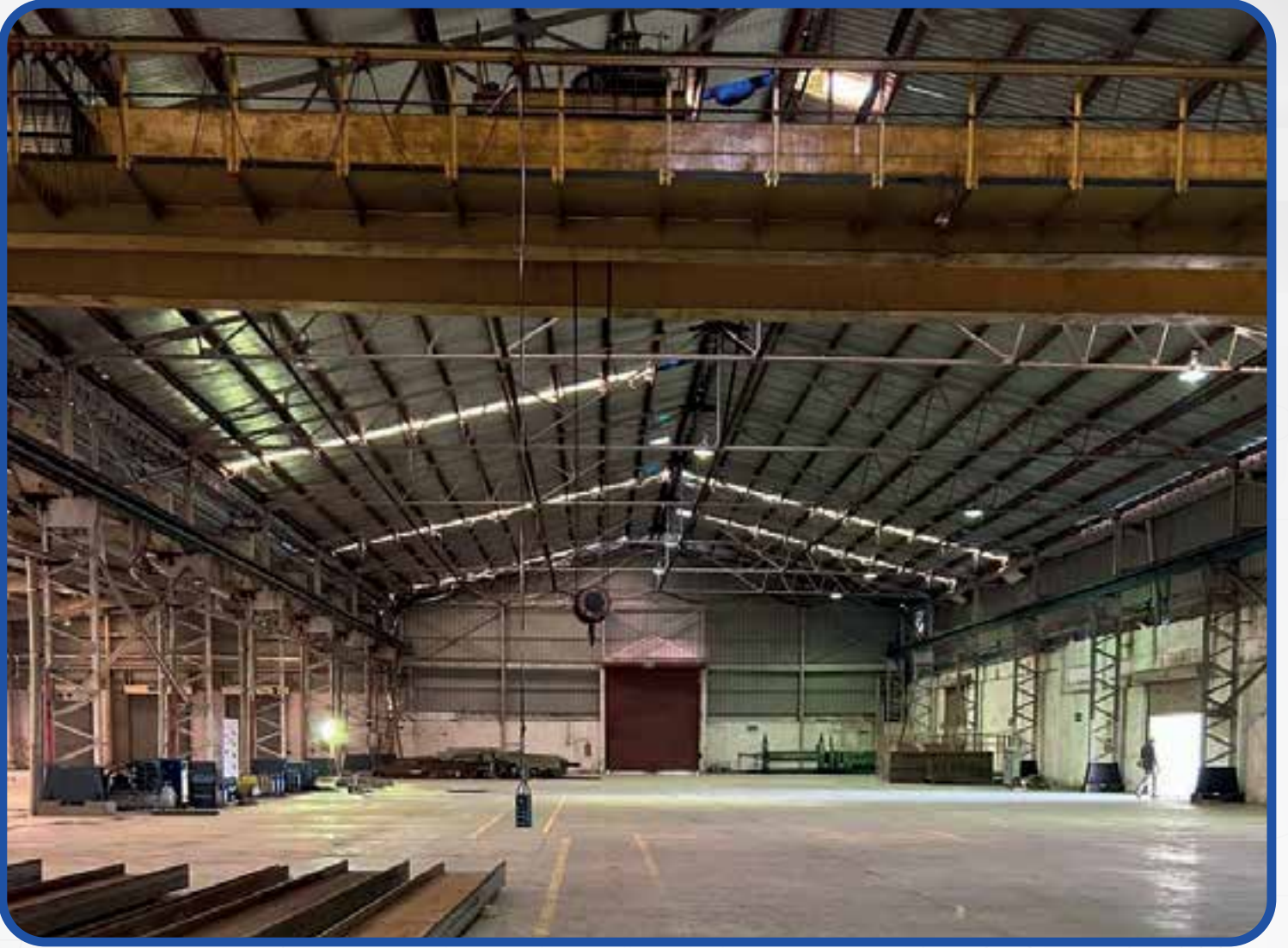
- RTA will update the Register of Members and then validate the request; it will then electronically confirm the DRN to Depository and DP;
- The Depository will credit the DP's account and consequently, the DP will update the investor's demat account and inform the investor accordingly.

When demat request is found invalid for any reasons:

- RTA will electronically reject the DRN and intimate the same with reasons of rejection to the Depository and DP. The Depository and the DP will cancel the DRN from its system, respectively;
- RTA will then return the DRF and Share Certificates to the DP with an objection memo stating the grounds of objection/rejection.

Legal Requirement

Pursuant to SEBI notification no. SEBI/LAD-NRO/GN/2018/24 dated 8th June 2018 and Circular no. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/166 dated 7th September 2020 requests for effecting transfer of securities (except in case of transmission and transposition of securities) held in physical mode has been discontinued w.e.f. 31st March 2019, and re-lodgement, if any as the case may be, were also permitted only up to 31st March 2021. Therefore, holders of the Company's equity shares in physical form may consider dematerializing their holdings.



We build things that last



ARTSON ENGINEERING LIMITED

CIN: L27290MH1978PLC020644

(Subsidiary of Tata Projects Limited)

Registered Office:

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Phone: +91 40 6601 8194; **Email:** investors@artson.net; **Website:** www.artson.net