

Fabtech Technologies Private Limited

CIN : U74999MH2018PTC316357



Balance Sheet as at 31st March, 2023

	Note No.	₹ in Lakhs	
		As at 31-03-2023	As at 31-03-2022
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	3	278.59	278.59
(b) Share Suspense Account	4	-	-
(c) Reserves and surplus	5	8,286.73	6,413.73
		8,565.32	6,692.32
2 Non-current liabilities			
(a) Long-term borrowings	6	86.47	110.55
(b) Deferred tax liabilities (net)	14	-	5.64
(c) Long-term provisions	7	155.37	163.92
		241.84	280.11
3 Current liabilities			
(a) Short-term borrowings	8	3,342.24	1,786.84
(b) Trade payables	9		
i) Dues of micro & small enterprises		465.24	353.64
ii) Dues of creditors other than micro & small enterprises		4,934.39	4,729.41
(c) Other current liabilities	10	3,313.24	2,720.97
(d) Short-term provisions	11	76.98	311.61
		12,132.10	9,902.48
TOTAL		20,939.25	16,874.91
II. ASSETS			
1 Non-current assets			
(a) Property, plant and equipments and intangible assets			
(i) Property, plant and equipments	12(a)	242.49	277.50
(ii) Intangible assets	12(b)	7.47	-
(iii) Capital work-in-progress	12(c)	-	-
(iv) Intangible assets under development	12(d)	-	-
(b) Non-current investments	13	1,352.50	1,352.50
(c) Deferred tax asset (net)	14	12.53	-
(d) Long-term loans and advances	15	883.71	270.05
		2,498.71	1,900.05
2 Current assets			
(a) Current Investment	16	5.06	5.49
(b) Inventories	17	1,723.53	650.58
(c) Trade receivables	18	10,366.92	8,694.93
(d) Cash and bank balances	19	2,376.58	2,486.15
(e) Short-term loans and advances	20	3,913.29	3,096.41
(f) Other current assets	21	55.16	41.31
		18,440.54	14,974.86
TOTAL		20,939.25	16,874.91

See accompanying notes forming part of the financial statements

1 to 56

In terms of our report attached.

For Ajmera & Ajmera
Chartered Accountants
Firm Regn. No. : 0018796C


Sourabh Ajmera
Partner

(Membership No. 166931)
UDIN : 23166931BGUWHK5133



For and on behalf of the Board of Directors


Amjad Adam Arbani
Director
DIN 02718019


Hemant Mohan Anavkar
Director
DIN 00150776



Place : Mumbai
Date: September 07, 2023

Place : Mumbai
Date: September 07, 2023

Statement of Profit and Loss for the period ended 31st March, 2023

		₹ in Lakhs	
	Note	For the Year Ended 31-03-2023	For the Year Ended 31-03-2022
	No	₹	₹
Income			
1	Revenue from operations (gross)	19,379.76	25,717.94
2	Other income	602.17	235.77
3	Total income (1+2)	19,981.93	25,953.71
Expenses			
	Purchases of stock-in-trade	10,237.42	13,593.08
	Changes in inventories of stock-in-trade	(1,072.95)	39.82
	Employee benefits expense	1,931.34	1,790.61
	Finance costs	248.66	179.47
	Depreciation and amortisation expense	59.91	60.03
	Operating expenses	1,802.88	1,923.45
	Selling, General and Administrative expense	4,208.66	5,261.86
4	Total expenses	17,415.92	22,848.32
5	Profit before tax	2,566.01	3,105.38
6	Tax expense		
	(a) Current tax expense for current year	670.00	825.00
	(b) (Excess) / Short provision for tax relating to prior year	41.19	-
		711.19	825.00
	(c) Deferred Tax Credit	(18.18)	17.38
		693.01	842.38
7	Profit for the year after tax carried to Balance Sheet	1,872.99	2,263.01
Earnings per share:			
	Basic & Diluted	67.23	81.23
	Face Value Per Share	10	10
	See accompanying notes forming part of the financial statements	1 to 56	

In terms of our report attached.
For Ajmera & Ajmera
Chartered Accountants
Firm Regn. No. : 0018796C



Sourabh Ajmera
Partner
(Membership No. 166931)
UDIN : 23166931BGUWHK5133



For and on behalf of the Board of Directors


Amjad Adam Arbani
Director
DIN 02718019


Hemant Mohan Anavkar
Director
DIN 00150776



Place : Mumbai
Date: September 07, 2023

Place : Mumbai
Date: September 07, 2023

Cash Flow Statement for the year ended 31st March, 2023

₹ in Lakhs

	For the Year Ended 31-03-2023		For the Year Ended 31-03-2022	
	₹	₹	₹	₹
A. Cash flows from operating activities				
Profit before tax		2,566.01		3,105.38
Adjustments for:				
Depreciation and amortisation expense	59.91		60.03	
Unrealised foreign exchange (gain)/ loss, net	(1.04)		(153.88)	
Trade receivables, deposits & trade payables written off/ back	(34.88)		-	
Finance costs	248.66		179.47	
Interest income on bank deposits	(114.84)		(75.21)	
Net (Profit)/ Loss on sale of fixed assets	-		(18.31)	
Net (Gain)/ Loss on sale/ valuation of investments	-		(0.69)	
		157.82		(8.58)
Operating profit before working capital changes		2,723.82		3,096.80
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets :				
Inventories	(1,072.95)		39.82	
Trade receivables	(1,671.99)		(4,213.58)	
Short-term loans and advances	(513.49)		18.03	
Other current assets	(13.86)		3.37	
Adjustments for (decrease) / increase in operating liabilities :				
Trade payables	351.46		2,447.46	
Other current liabilities	592.27		(1,452.23)	
Short-term provisions	43.89		0.00	
Long-term provisions	(8.55)		(29.47)	
		(2,293.21)		(3,186.60)
Cash generated from operations		430.61		(89.80)
Net income tax paid		(1,022.01)		(381.08)
Net cash flows from operating activities		(591.40)		(470.88)
B. Cash flows from investing activities				
Capital expenditure on fixed assets including capital advances	(32.37)		(205.19)	
Purchase of investments - mutual fund	0.43		184.31	
Purchase of investments - CCD	-		(1,012.50)	
Proceeds from sale of fixed assets	-		63.29	
Interest received	114.84		75.21	
Gain/ (Loss) on investments	-		0.69	
Loans and advances to employees	76.37		(109.68)	
Loans and advances to related parties	(550.37)		(23.57)	
Security deposits (made)/ refund received	(70.48)		9.54	
Proceeds from government authorities	(340.28)		37.15	
Fixed deposit with banks matured/ (placed)	(191.52)		62.78	
Net cash from / (used in) investing activities		(993.38)		(917.98)
C. Cash flows from financing activities				
Proceeds/ (repayment) of short term borrowings, net	1,555.40		920.72	
Net decrease in vehicle loan	(24.08)		88.65	
Effect of exchange rate changes	1.04		153.88	
Finance costs	(248.66)		(179.47)	
Net cash (used in) / from financing activities		1,283.70		983.77
Net increase in cash and cash equivalents (A+B+C)		(301.08)		(405.09)
Cash and cash equivalents (opening balance)		966.10		1,371.18
Cash and cash equivalents (closing balance)		665.01		966.10

Notes to cash flow statement:

- Fixed deposits with banks with maturity period of more than three months are grouped in investing activities and not included in cash and cash equivalents.
- Cash flow statement has been prepared under the "Indirect Method" as set out in Accounting Standard (AS 3) "Cash Flow Statement".
- Previous Years figures have been regrouped / rearranged wherever necessary to correspond with the figures of the current year.
- Current Year figures have been adjusted as per the Scheme of Arrangement of the company.

In terms of our report attached.

For Ajmera & Ajmera
Chartered Accountants
Firm Regn. No. : 0018796C

Sourabh Ajmera
Partner
(Membership No. 166931)
UDIN : 23166931BGUWHK5133
Place : Mumbai
Date: September 07, 2023



For and on behalf of the Board of Directors

Amjad Adam Arban
Director
DIN 02718019

Place : Mumbai
Date: September 07, 2023



Manoj Mohan Anavkar
Director
DIN 00150776

Place : Mumbai
Date: September 07, 2023

Fabtech Technologies Private Limited

CIN : U74999MH2018PTC316357



Notes forming part of the financial statements for the period ended 31st March, 2023

1 Corporate Information:

Fabtech Technologies Private Limited ("the Company") is a Private Limited Company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The registered office of the Company is located at 715, Janki Centre, Off. Veera Desai Road, Andheri West Mumbai, Maharashtra India. Fabtech Technologies Private Limited is engaged in the business of providing turnkey projects solution to pharmaceuticals and allied industries by way of supplying pharmaceutical machineries/ equipment, in house designing and engineering and to undertake other activities required in various pharmaceutical turnkey projects.

With effect from 27th January 2021, the name of the Company was changed from **Globeroute Ventures Private Limited** to **Fabtech Technologies Private Limited**.

2 Significant accounting policies:

(i) Basis of accounting:

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

(ii) Use of estimates:

The presentation of the financial statements in conformity with the Indian GAAP requires the Management to make estimates and assumptions that affect the reported amount of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. The Management believes that the estimates used in preparation of Financial Statements are prudent and reasonable. Future results could differ due to these estimates and differences between the actual results and estimates are recognised in the period in which the results are known / materialise.

(iii) Revenue recognition:

Revenue from sales is recognised when the significant risks and rewards of ownership of the goods are transferred to the customers. Sales are net of sales returns and trade discounts. Installation and commissioning income is recognised when the service is rendered. Interest income is recognised on a time proportion basis. Dividend income is accounted when the right to receive the same is established.

Revenue from construction activities is recognised only to the extent of cost incurred till such time the outcome of the job cannot be ascertained reliably. When the outcome of the contract is ascertained reliably, contract revenue is recognised at cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage completion is the proportion of cost of work performed to-date, to the total of estimated contract amounts included in the financial statements, which relate to recoverable costs & accrued margins, if any, not yet billed on contracts are classified as "Unbilled Revenue."

(iv) Export Incentive:

Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

(v) Property, plant & equipment and depreciation:

All Property, plant & equipment are stated at cost of acquisition less accumulated depreciation and impairment losses, if any. Cost comprises of the purchase price and any other attributable cost of bringing the assets to its working condition for its intended use.

Depreciation on property, plant & equipment has been provided using the straight line method in the manner and at the rates prescribed by Schedule II of the Act. Depreciation on addition/deletion of Property, plant & equipment made during the year is provided on pro-rata basis from / upto the date of each addition / deletion.

Individual assets costing less than Rs 5,000 are depreciated fully in the year of purchase.

Intangible assets are amortised over their estimated useful life using the straight line method in the manner and at the rates prescribed by Schedule II of the Act.

(vi) Capital work-in-progress:

Projects under which tangible assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest (if any).

(vii) Borrowing costs:

Borrowing costs that are directly attributable to the acquisition of qualifying assets are capitalised for the period until the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are recognised as an expense in the period in which they are incurred.

(viii) Impairment:

The carrying amount of fixed assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. Impairment loss is provided to the extent the carrying amount of such assets exceed their recoverable amount. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal.

(ix) Investments:

Long term investments are stated at cost and provision for diminution in value is made to recognise a decline other than temporary. Current investments are stated at fair value.

(x) Inventories:

Inventories are valued at the lower of cost and net realisable value.

The cost is determined as follows:

- Raw and packing materials: FIFO method
- Work-in-progress: At material cost absorbed on weighted average cost basis and production overheads
- Finished goods : At material cost absorbed on weighted average cost basis and production overheads.
- Stock-in-trade : FIFO method



(xi) Employee benefits:

(I) Short term employee benefits are recognised as an expense at the undiscounted amount in the statement of profit and loss in the year in which the related service is rendered.

(II) Long term benefits:

a. Defined Contribution Plan

Provident and Family Pension Fund

The eligible employees of the Company are entitled to receive post employment benefits in respect of provident and family pension fund, in which both employees and the Company make monthly contribution at a specified percentage of the employees' eligible salary (currently 12% of employees' eligible salary subject to a minimum contribution of ₹780 per month). The contributions are made to the Regional Provident Fund Commissioner. Provident Fund and Family Pension Fund are classified as Defined contribution plans as the Company has no further obligations beyond making the contribution. The Company's contribution to Defined Contribution Plans are charged to the statement of profit and loss, as incurred.

b. Defined Benefit Plan

Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company accounts for gratuity benefits payable in future based on an independent actuarial valuation as at the Balance Sheet date, using the projected unit credit method. Actuarial gains and losses are recognised in the statement of profit and loss.

Compensated absences

The Company provides for the encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment / availment. The liability is provided based on the number of days of unutilised leave at each balance sheet date on the basis of an independent actuarial valuation as at the Balance Sheet date, using the projected unit credit method. Actuarial gains and losses are recognised in the statement of profit and loss.

(xii) Foreign currency transactions and translations:

- (a) Foreign currency transactions are recorded at the exchange rates that approximates the actual rate at the date of the transaction. Gains and losses arising out of subsequent fluctuations are accounted for on actual payment or realisation. Monetary items denominated in foreign currency as at the balance sheet date are converted at the exchange rates prevailing on that date. Exchange differences are recognised in the statement of profit and loss.
- (b) The Company holds derivative financial instruments such as foreign exchange forward contracts and option contracts to mitigate the risk of changes in foreign exchange rates on foreign currency assets or liabilities and forecasted cash flows denominated in foreign currencies. The counterparty for these contracts is generally a bank or financial services company. The Company regularly reviews its foreign exchange forward.
- (c) Forward foreign exchange contracts outstanding as at the Balance Sheet date are converted at the exchange rates prevailing on that date. Exchange differences are recognised in the statement of profit and loss.

(xiii) Taxation:

Tax expense comprises current and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rate and tax laws enacted or substantially enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

(xiv) Provisions, contingent liabilities and contingent assets:

A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present values and are determined based on management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

Contingent liabilities are recognised only when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for. Other contingent liabilities are not recognised but are disclosed in the notes to the financial statements.

Contingent assets are not recognised in the financial statements.

(xv) Lease:

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognized as operating lease. Lease rentals under operating leases are recognized in the Statement of Profit and Loss on a straight-line basis.

(xvi) Cash Flow Statement:

Cash flows are reported using the indirect method, where by profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

(xvii) Earnings per share (EPS):

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

(xviii) Operating Cycle:

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.



Fabtech Technologies Private Limited

CIN : U74999MH2018PTC316357



Notes forming part of the financial statements for the period ended 31st March, 2023

₹ in Lakhs

3 Share capital	As at 31-03-2023		As at 31-03-2022	
	Number of shares	₹	Number of shares	₹
Authorised:				
Equity shares of ₹ 10/- each	35,10,000	351.00	35,10,000	351.00
Issued, subscribed and fully paid up:				
Equity shares of ₹ 10/- each	27,85,895	278.59	27,85,895	278.59
TOTAL	27,85,895	278.59	27,85,895	278.59

a. Reconciliation of number of shares and amount outstanding at the beginning and at the end of reporting period :

Particulars	As at 31-03-2023		As at 31-03-2022	
	Number of shares	₹	Number of shares	₹
Shares outstanding at the beginning of the year	27,85,895	278.59	10,000	1.00
Add : Issued during the year pursuant to Scheme of Arrangement	-	-	27,75,895	277.59
Shares outstanding at the end of the year	27,85,895	278.59	27,85,895	278.59

b. Rights, preferences and restrictions attached to equity shares:

The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders at the ensuing annual general meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in the proportion of equity shares held.

c. Details of equity shares held by each shareholder holding more than 5% equity shares in the Company:

Equity Shares	As at 31-03-2023		As at 31-03-2022	
	Number of Equity Shares held	% Holding	Number of Equity Shares held	% Holding
Mr. Aasif Khan	16,61,999	59.66%	16,61,999	59.66%
Mr. Aarif Khan	4,15,500	14.91%	4,15,500	14.91%
Mr. Hemant Anavkar	3,46,251	12.43%	3,46,251	12.43%
Mrs. Manisha Anavkar	3,46,250	12.43%	3,46,250	12.43%

d. Shareholding of promoters

Sr. No.	Promoter name	As at 31-03-2023			As at 31-03-2022		
		No. of Shares held	% of total shares	% change during the year	No. of Shares held	% of total shares	% change during the year
1	Mr. Aasif Khan	16,61,999	59.66%	0.00%	16,61,999	59.66%	100.00%

4 Share Suspense Account	As at 31-03-2023		As at 31-03-2022	
	Number of shares	₹	Number of shares	₹
Equity shares of ₹ 10/- each	-	-	27,75,895	277.59
Less: Equity Shares to be cancelled pursuant to Scheme of Arrangement	-	-	-	-
Less: Equity Shares Allotment (Allotted to the shareholders of Fabtech Technologies International Limited pursuant to Scheme of Arrangement)*	-	-	27,75,895	277.59
TOTAL	-	-	-	-

*As explained in note 54, in accordance with the requirements of the Scheme and solely for the purpose of compliance with the accounting treatment specified in the Scheme, the effect for issue and cancellation of shares pursuant to demerger has been given on the appointed date of the Scheme being April 1, 2019 and hence recorded as share suspense as such are pending allotment and cancellation as at March 31, 2021. In accordance with Clause 6 of the Scheme of Arrangement, the equity shares of the company have been allotted to the shareholders of Fabtech Technologies International Limited on July 09, 2021.



Fabtech Technologies Private Limited

CIN : U74999MH2018PTC316357



Notes forming part of the financial statements for the period ended 31st March, 2023

5 Reserves and surplus

Surplus in Statement of Profit and Loss
Balance as per last Balance Sheet
Add: Profit for the year
Net surplus in Statement of Profit and Loss

Capital Reserve
Balance as per last Balance Sheet
Closing balance

		₹ in Lakhs	
	As at 31-03-2023 ₹	As at 31-03-2022 ₹	
	6,412.73	4,149.72	
	1,872.99	2,263.01	
	8,285.73	6,412.73	
	1.00	1.00	
	1.00	1.00	
TOTAL	8,286.73	6,413.73	

6 Long-term borrowings

- a. Term loans for vehicles (Secured) (Refer Note below) :
- from banks
 - from others

Note:

For Term Loan for Vehicle

Secured by hypothecation of vehicles acquired under said loans

Terms of repayment :

Repayable in 36 or 60 monthly equal instalments including interest ranging between 8.00% to 10.95% Instalments falling due in respect of above loans upto 31st March, 2023 have been grouped under "Current maturities of Other current liabilities"

	As at 31-03-2023 ₹	As at 31-03-2022 ₹	
	19.06	27.91	
	67.41	82.64	
TOTAL	86.47	110.55	

7 Long-term provisions

Provision for Employee benefits :

- Compensated absences
- Gratuity

	As at 31-03-2023 ₹	As at 31-03-2022 ₹	
	63.91	52.41	
	91.46	111.51	
TOTAL	155.37	163.92	

8 Short-term borrowings

Repayable on demand - from banks (secured):

Packing credit and cash credits

Current maturities of long-term borrowings - Term loans for vehicles (secured) (Refer Note 6)

- from banks
- from others

	As at 31-03-2023 ₹	As at 31-03-2022 ₹	
	3,307.03	1,751.63	
	11.77	11.77	
	23.44	23.44	
	35.21	35.21	
TOTAL	3,342.24	1,786.84	

Nature of Security- Axis Bank

- a) First pari passu charge on entire current assets including stock and receivables (present & future) along with RBL.
- b) First charge on movable fixed assets of the company both present & future excluding vehicle & other than movable fixed assets exclusively charged to RBL.
- c) Common collateral for Fabtech Technologies Pvt. Ltd., Fabtech Technologies Cleanrooms Pvt. Ltd. and Fabsafe Technologies Pvt. Ltd. by way of exclusive charge on unit no. 1, 2, 3 plot no. 190/191, GIDC, Umbergaon, Gujarat, 396171 and office premises located at 715, 716, 717 and 718 Janki Centre, Off Veera Desai Road, Andheri (W), Mumbai in the name of Fabtech Turnkey Projects LLP
- d) Negative lien on the land at Khalapur, Raigad.

Corporate and Personal Guarantees

- a) Personal guarantees of Mr. Asif Khan, Mr. Hemant Anavkar and Mr. Aarif Khan; and
- b) Corporate guarantees of Fabtech Technologies International Limited and Fabtech Turnkey Projects LLP (To the extend of value of the property)

Nature of Security- RBL Bank

- a) First pari passu charge on the entire present and future current assets of the company along with the Axis Bank.
- b) First pari passu charge on the entire movable fixed assets of the company along with the Axis Bank.
- c) Cross collateralised with Fabtech Technologies Pvt. Ltd. by way of equitable mortgage on office premises located at 303, 402, and 403, Vishakha Arcade, Veera Desai Road, Andheri (W), Mumbai. Measuring total 2200 sq.ft. owned by Fabtech Technologies International Limited.
- d) Lien on Fixed Deposits (85% of Rs. 4.35 crs)
- e) Negative lien on Khalapur land along with Axis Bank

Corporate and Personal Guarantees

- a) Personal guarantees of Mr. Asif Khan, Mr. Hemant Anavkar and Mr. Aarif Khan; and
- b) Corporate guarantee of Fabtech Technologies International Limited.

Fabtech Technologies Private Limited

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Notes forming part of the financial statements for the period ended 31st March, 2023

₹ in Lakhs

9 Trade payables	As at	As at
	31-03-2023	31-03-2022
	₹	₹
- Payable to Vendors	465.24	353.64
Dues to micro and small enterprises (Refer Note 34)	4,934.39	4,729.41
Dues of creditors other than micro & small enterprises	5,399.63	5,083.05

Trade payables ageing schedule as on 31st March, 2023

Particulars	Outstanding for following periods from the date of invoice				
	Less than 1 year	1 - 2 years	2 - 3 years	3 years & above	Total
i) MSME	292.91	69.43	67.28	35.63	465.24
ii) Others	3,944.28	416.62	441.22	132.29	4,934.39
iii) Disputed dues - MSME	-	-	-	-	-
iii) Disputed dues - others	-	-	-	-	-
	4,237.19	486.05	508.50	167.91	5,399.63

Trade payables ageing schedule as on 31st March, 2022

Particulars	Outstanding for following periods from the date of invoice				
	Less than 1 year	1 - 2 years	2 - 3 years	3 years & above	Total
i) MSME	308.97	30.37	14.30	-	353.64
ii) Others	3,779.93	124.68	797.55	27.25	4,729.42
iii) Disputed dues - MSME	-	-	-	-	-
iii) Disputed dues - others	-	-	-	-	-
	4,088.90	155.04	811.85	27.25	5,083.05

10 Other current liabilities

Interest accrued but not due on borrowings

Other payables

- Statutory remittances
- Advances from customers
- Liabilities towards employees
- Forward contract payables

	As at	As at
	31-03-2023	31-03-2022
	₹	₹
Interest accrued but not due on borrowings	0.75	0.89
Other payables	45.09	70.16
- Statutory remittances	3,248.37	2,606.39
- Advances from customers	7.62	43.53
- Liabilities towards employees	11.41	-
- Forward contract payables	-	-
TOTAL	3,313.24	2,720.97

11 Short-term provisions

Provision for employee benefits:

- Compensated absences
- Gratuity

Other provisions

Provision for tax [net of advance tax]

	As at	As at
	31-03-2023	31-03-2022
	₹	₹
Provision for employee benefits:	19.82	19.82
- Compensated absences	57.16	13.27
- Gratuity	76.98	33.09
Other provisions	-	278.52
Provision for tax [net of advance tax]	-	-
TOTAL	76.98	311.61

13 Non - current investments

(Unquoted, fully paid up, valued at cost)

Trade:

(a) Investment in equity shares of 33.33% associate company - (Unquoted) - carried at cost

TSA Process Equipments Private Limited
(456,000 (P.Y. 456,000) Equity Share of ₹ 10/- each, fully paid up)

(b) Investment in compulsory convertible debentures - (Unquoted) - carried at cost

Fabtech Technologies International Limited (Refer note 54)
10,12,500 (P.Y. 10,12,500) compulsory convertible debentures of ₹ 100/- each, fully

	As at	As at
	31-03-2023	31-03-2022
	₹	₹
Investment in equity shares of 33.33% associate company - (Unquoted) - carried at cost	340.00	340.00
Investment in compulsory convertible debentures - (Unquoted) - carried at cost	1,012.50	1,012.50
TOTAL	1,352.50	1,352.50
Aggregate amount of unquoted investments	1,352.50	1,352.50
Aggregate provision for diminution in value of investment	-	-



Fabtech Technologies Private Limited

CIN : U74999MH2018PTC316357



Notes forming part of the financial statements for the period ended 31st March, 2023

14 Deferred tax (liability) / asset (net)

The balances comprises temporary differences attributable to -
 - Provision for compensated absences and Gratuity
 - Differences in the net carrying amount of property, plant and equipment and intangible assets as per Income Tax and the Companies Act,

	₹ in Lakhs	
	As at 31-03-2023 ₹	As at 31-03-2022 ₹
	9.06	(7.55)
	3.48	1.91
TOTAL	12.53	(5.64)

15 Long-term loans and advances

Unsecured, considered good
 Security deposits
 Loans and advances to related parties
 Loans and advances to employees
 Balances with government authorities
 Advance income tax [net of provisions]
 Deposit under protest

	As at 31-03-2023 ₹	As at 31-03-2022 ₹
		166.07
	573.94	23.57
	25.87	15.62
	-	24.49
	32.30	-
	85.53	85.53
TOTAL	883.71	270.05

16 Current investments

A Investment In Mutual Funds (At fair value, unless otherwise stated)

- Aditya Birla Life Money Manager Fund (Growth Direct Plan)

Aggregate amount of quoted investments
 Aggregate market value of quoted investments
 Aggregate provision for diminution in value of investment

	As at 31-03-2023		As at 31-03-2022	
	No. of units	₹	No. of units	₹
	1,837.95	5.06	1,837.95	5.49
		5.06		5.49
		5.06		5.49
		5.06		5.49
		-		-

17 Inventories

(At lower of cost and net realisable value)

Stock-in-trade (Outsourced goods)

	As at 31-03-2023 ₹	As at 31-03-2022 ₹
		1,723.53
TOTAL	1,723.53	650.58

18 Trade receivables

Unsecured, considered good

Trade receivables outstanding for a period exceeding six months from the date of invoice (Including foreign debtors and retention money)

Other trade receivables (Including foreign debtors and retention money)

	As at 31-03-2023 ₹	As at 31-03-2022 ₹
		5,046.40
	5,320.52	5,637.43
TOTAL	10,366.92	8,694.93

Trade receivables ageing schedule as on 31st March, 2023

Particulars	Outstanding for following periods from the date of invoice					
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	3 years & above	Total
Undisputed trade receivables -						
i) Considered good	5,320.52	819.22	1,392.39	215.77	2,619.03	10,366.92
ii) Considered doubtful	-	-	-	-	-	-
Disputed trade receivables -						
i) Considered good	-	-	-	-	-	-
ii) Considered doubtful	-	-	-	-	-	-
	5,320.52	819.22	1,392.39	215.77	2,619.03	10,366.92

Trade receivables ageing schedule as on 31st March, 2022

Particulars	Outstanding for following periods from the date of invoice					
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	3 years & above	Total
Undisputed trade receivables -						
i) Considered good	5,637.43	415.05	421.94	1,511.11	709.39	8,694.93
ii) Considered doubtful	-	-	-	-	-	-
Disputed trade receivables -						
i) Considered good	-	-	-	-	-	-
ii) Considered doubtful	-	-	-	-	-	-
	5,637.43	415.05	421.94	1,511.11	709.39	8,694.93



Fabtech Technologies Private Limited

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Notes forming part of the financial statements for the period ended 31st March, 2023

19 Cash and bank balances

(a) Balances that meet the definition

Cash on hand	
Balances with banks	
In current accounts	
In fixed deposit (Less than 3 months)	
Total Cash and Cash equivalents as per AS 3 - Cash Flow Statements	

Other Bank Balances

In deposit accounts with original maturity of less than 3 months	
In deposit accounts with original maturity of more than 12 months	
In deposit accounts with original maturity of more than 3 months but not greater than 12 months	
Total Other Bank Balance	

₹ in Lakhs	
As at 31-03-2023 ₹	As at 31-03-2022 ₹
29.95	30.25
604.34	901.98
30.72	33.87
665.01	966.10
387.93	89.76
1,135.72	677.64
187.91	752.65
1,711.57	1,520.05
TOTAL	2,376.58
2,486.15	

Fixed deposit balances include Rs. 998.60 lakhs (P.Y. Rs. 1,075.05 lakhs) marked under line against bank guarantees, letters of credit, corporate cards and working capital facilities.

20 Short-term loans and advances

Unsecured, considered good

Security deposits	
Loans and advances to employees	
Prepaid expenses	
Balances with government authorities	
Export incentives receivables	
Advances for supply of goods and services	

As at 31-03-2023 ₹	As at 31-03-2022 ₹
71.45	46.21
85.62	172.24
5.39	47.11
1,253.87	991.39
553.31	451.03
1,943.64	1,388.43
TOTAL	3,913.29
3,096.41	

21 Other current assets

Interest accrued on bank deposits	
Forward contract payables	
Other current assets	

As at 31-03-2023 ₹	As at 31-03-2022 ₹
8.26	8.21
-	12.53
46.90	20.57
TOTAL	55.16
41.31	



Notes forming part of the financial statements for the period ended 31st March, 2023

₹ in Lakhs

12. Property, plant and equipments and intangible assets

Particulars	GROSS BLOCK			DEPRECIATION / AMORTISATION				NET BLOCK	
	As at 1st April, 2022 ₹	Additions ₹	Deletions ₹	As at 1st April, 2022 ₹	For the Year ₹	Deletions ₹	As at 31st March, 2023 ₹	As at 31st March, 2023 ₹	As at 31st March, 2022 ₹
(a) Property, plant and equipments									
Office Equipment	40.76 (39.47)	4.35 (1.29)	-	37.10 (34.79)	0.90 (2.32)	-	38.01 (37.10)	7.10	3.65
Computers	176.87 (157.88)	20.54 (18.98)	-	147.81 (137.65)	13.52 (10.16)	-	161.33 (147.81)	36.08	29.06
Furniture and Fixtures	87.02 (87.02)	-	-	51.45 (44.47)	6.87 (6.98)	-	58.32 (51.45)	28.70	35.57
Vehicles	288.59 (252.43)	-	(148.76)	79.38 (142.58)	38.61 (40.57)	(103.78)	117.99 (79.38)	170.61	209.21
TOTAL	593.24 (536.81)	24.89 (205.19)	- (148.76)	315.74 (359.50)	59.90 (60.03)	- (103.78)	375.64 (315.74)	242.49	277.50
(b) Intangible assets (Other than internally generated)									
Computer Software	23.30 (23.30)	7.47 (-)	-	23.30 (23.30)	0.00 (-)	-	23.30 (23.30)	7.47	-
TOTAL	23.30 (23.30)	7.47 (-)	- (-)	23.30 (23.30)	0.00 (-)	- (-)	23.30 (23.30)	7.47	-
(c) Capital work-in-progress									
TOTAL	-	-	-	-	-	-	-	-	-
(d) Intangible assets under development									
TOTAL	-	-	-	-	-	-	-	-	-

i) There is no immovable properties in the name of the company.
ii) Figures in brackets are the corresponding figures in respect of the previous year ended March 31, 2022.



Notes forming part of the financial statements for the period ended 31st March, 2023

₹ in Lakhs

22 Revenue from operations (Gross)	For the Year Ended 31-03-2023	For the Year Ended 31-03-2022
	₹	₹
Sale of products	18,525.64	24,516.03
Sale of services - Installation and commissioning services	507.77	837.04
Other operating revenues		
Export incentives	346.34	364.87
TOTAL	19,379.76	25,717.94

23 Other income	For the Year Ended 31-03-2023	For the Year Ended 31-03-2022
	₹	₹
Interest income on bank deposits	114.84	75.21
Profit on disposal of fixed asset (net)	-	18.31
Insurance claim	0.39	-
Exchange rate fluctuations (net)	444.21	135.14
Net balances written back	34.88	-
Net gain on liquid mutual fund	-	0.69
Net gain on derivative contracts	7.53	-
Miscellaneous income	0.31	6.43
TOTAL	602.17	235.77

24 Purchases of stock-in-trade	For the Year Ended 31-03-2023	For the Year Ended 31-03-2022
	₹	₹
Purchase of outsourced goods	10,237.42	13,593.08
TOTAL	10,237.42	13,593.08

Details of purchase of stock-in-trade	For the Year Ended 31-03-2023	For the Year Ended 31-03-2022
	₹	₹
Modular partition and doors	1,031.95	2,750.14
Isolators and process equipments	1,240.37	1,178.37
Cleanroom equipments	493.16	514.54
Water purification systems	1,548.93	1,049.96
Air handling units	755.25	663.39
Mechanical, electrical and plumbing, HVAC and other critical machineries	5,167.75	7,436.68
	10,237.42	13,593.08

25 Changes in inventories of stock-in-trade	For the Year Ended 31-03-2023	For the Year Ended 31-03-2022
	₹	₹
(a) Inventories at the end of the year:		
Stock-in-trade	1,723.53	650.58
	1,723.53	650.58
(b) Inventories at the beginning of the year:		
Stock-in-trade	650.58	690.40
	650.58	690.40
Net decrease (b) - (a)	(1,072.95)	39.82



Notes forming part of the financial statements for the period ended 31st March, 2023

26 Employee benefits expense

Salaries and wages	Contribution to provident fund and other funds	Gratuity	Staff welfare expenses
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₹ in Lakhs	
For the Year Ended 31-03-2023	For the Year Ended 31-03-2022
₹	₹
1,796.20	1,692.42
50.51	46.36
46.39	17.93
38.24	33.90
TOTAL	1,790.61

27 Finance costs

Interest expense on:
- Borrowings
- Trade payables
- Delayed / deferred payment of taxes
Other borrowing costs
- Loan processing and commitment charges

For the Year Ended 31-03-2023	For the Year Ended 31-03-2022
₹	₹
140.60	97.50
46.44	8.50
7.14	38.79
54.48	34.67
TOTAL	179.47

28 Depreciation and amortisation expenses

Depreciation of property, plant & equipment	Amortisation of other intangible assets
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For the Year Ended 31-03-2023	For the Year Ended 31-03-2022
₹	₹
59.90	60.03
0.00	-
TOTAL	60.03

29 Operating expenses

Project erection and commissioning expenses	Power and fuel
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For the Year Ended 31-03-2023	For the Year Ended 31-03-2022
₹	₹
1,788.78	1,914.92
14.10	8.53
TOTAL	1,923.45

30 Selling, General and Administrative expenses

Freight and forwarding	Rent including lease rentals and equipment hire charges	Repairs and maintenance - Office and equipments	Repairs and maintenance - Others	Insurance	Rates and taxes	Communication	Travelling and conveyance	Printing and stationery	Bank charges	Postage and courier	Business promotion and sales commission	Donations	Expense for CSR (Refer note 40)	Legal and professional charges (Refer note below)	Net balances written off	Net loss on liquid mutual fund	Net loss on derivative contracts	Miscellaneous expenses
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For the Year Ended 31-03-2023	For the Year Ended 31-03-2022
₹	₹
802.54	1,819.13
161.56	139.64
12.47	2.27
20.78	30.02
26.78	20.58
88.55	149.26
22.96	19.15
499.69	544.79
14.05	8.93
241.19	114.62
12.33	16.23
1,929.33	1,172.88
21.31	12.72
40.00	18.61
302.77	343.71
-	827.63
0.43	-
-	0.87
11.90	20.82
TOTAL	5,261.86

Legal and professional charges includes payments to statutory auditors (net of GST):

a) Statutory Audit	b) Tax Audit	c) GST Audit	d) for certificate and tax consultancy
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For the Year Ended 31-03-2023	For the Year Ended 31-03-2022
₹	₹
3.30	3.30
1.30	1.30
1.00	1.00
2.87	0.86
8.47	6.46



Notes forming part of the financial statements for the period ended 31st March, 2023

₹ in Lakhs

31 Contingent liabilities and commitments (to the extent not provided for)

	For the Year Ended 31-03-2023	For the Year Ended 31-03-2022
	₹	₹
I) Contingent liabilities		
(a) Claims against the Company not acknowledged as debt* (The outflow, if any, shall be paid along with interest)	85.53	85.53
(b) Corporate guarantee given by the company in respect of working capital limits sanctioned by Axis bank to -		
i) Fabtech Technologies Cleanrooms Pvt. Ltd.	1,000.00	1,000.00
ii) Fabsafe Technologies Pvt. Ltd.	600.00	600.00
Total	1,685.53	1,685.53

The company has debited an amount to the account of M/s. Clean Coats Pvt. Ltd due to bad quality work done by them, which they did not accept and filed a complaint against the company in MSME Facilitation Council, Thane which directed the company to pay ₹ 32.03 lakhs along with various other claims vide order dated 29th September 2017. The company challenged the order by way of filing a suit in the Bombay city civil court, Dindoshi on 9th February 2018 and since M/s. Clean Coats Pvt. Ltd. did not receive money from the company against direction of MSME facilitation council, M/s Clean coats Pvt. Ltd. approached Bombay High Court for execution of the said order passed by the MSME Council. In the said proceedings, Bombay High Court directed the company to deposit amount of ₹ 85.53 lakhs (including interest) with the Bombay High Court. Though M/s Clean Coats Pvt. Ltd. has withdrawn above amount from the High Court, however, pursuant to Order of Hon'ble Supreme Court of India, Fabtech Technologies International Ltd. (Demerged Company) has filed above Arbitration Application in which we have appointed a Counsel. This Application is likely to be listed in Oct – 2022 and we have a bright chance of refund of the deposited money. Further the management is confident of resolving the matter in its favour and hence no provision is made in the books of account.

32 a) Expenditure in foreign currency:

Nature of Expenses	For the Year Ended 31-03-2023	For the Year Ended 31-03-2022
	₹	₹
Bank charges	2.02	32.22
Travelling and conveyance	86.19	164.95
Freight and forwarding	212.44	77.83
Erection and commissioning expense	2,089.51	983.79
Advertising and business promotion	171.20	419.92
Legal and professional charges	30.63	74.03
Miscellaneous expense	0.80	4.61
Total	2,592.77	1,757.36

b) Earnings in foreign currency:

Nature of Income	For the Year Ended 31-03-2023	For the Year Ended 31-03-2022
	₹	₹
FOB Value of Export Sales	16,130.31	5,476.84
Installation & commissioning services	487.17	81.26

33 Value of imports calculated on C.I.F. basis:

Nature of material	For the Year Ended 31-03-2023	For the Year Ended 31-03-2022
	₹	₹
Stock-in-trade (including merchant export)	1,148.11	1,843.62
	1,148.11	1,843.62



Notes forming part of the financial statements for the period ended 31st March, 2023

₹ in Lakhs

34 Details of dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006:

The information as required under Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by Auditors, is as follows:-

Particulars	31/03/2023 ₹	31/03/2022 ₹
a) Principal amount remaining unpaid to any supplier as at the end of the accounting year	407.06	341.91
b) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	58.18	11.74
c) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	Nil	Nil
d) The amount of interest due and payable for the year	46.44	8.50
e) The amount of interest accrued and remaining unpaid at the end of the accounting year	58.18	11.74
f) 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	58.18	11.74

35 a) Forward foreign exchange contracts outstanding as at the balance sheet date:

The company enters into Foreign Exchange Contracts being derivative instruments, which are not intended for trading or speculative purposes, but for hedge purposes, to establish the amount of reporting currency required or available at the settlement date of certain payables and receivables.

Currency	Buy/Sell	Cross Currency	Amount in Foreign Currency	
			31/03/2023	31/03/2022
US Dollar	Sell	INR	2.50	14.00

b) The year end foreign currency exposures are given below:

Particulars	Currency	31/03/2023		31/03/2022	
		Foreign Currency	₹	Foreign Currency	₹
Payables in foreign currency					
Packing credit	USD	24.50	2,012.93	18.03	1,361.70
Advances from customers	USD	38.81	3,188.67	30.13	2,199.94
	EURO	0.66	59.26	4.09	353.74
	GBP				
Trade payables	USD	12.51	851.99	15.49	1,172.02
	EURO	3.75	318.55	15.35	1,293.28
	SAR	2.91	59.63	1.74	35.08
	AED	0.06	1.49	-	-
	KES	30.92	21.02	-	-
Receivables in foreign currency					
Trade receivables	USD	99.27	8,155.76	65.34	4,934.07
	EURO	2.18	194.98	1.06	89.02
	AED	0.60	13.41	-	-
	SAR	8.21	179.52	-	-
Advances for supply of goods and services	USD	2.66	209.08	2.19	161.49
	EURO	0.17	13.92	0.69	56.90
	EGP	4.90	13.22	-	-
	SAR	1.76	36.52	1.34	27.24

36 Earnings Per Share is calculated as follows:

Particulars	As at 31-03-2023 ₹	As at 31-03-2022 ₹
a) Net profit available for equity shareholders (for basic/diluted EPS)		
b) Basic earnings per share	1,872.99	2,263.01
Weighted average number of equity shares (Nos.) (Refer Note No. 4)		
Basic EPS	27.86	27.86
c) Diluted earnings per share	67.23	81.23
Weighted average number of equity shares (Nos.) (Refer Note No. 4)		
Diluted EPS	27.86	27.86
d) Face value per share	67.23	81.23
	10	10



37 Employee benefit plan:

Defined contribution plan: Amounts recognised as expenses towards contributions to provident fund, employee state insurance corporation and other funds by the Company are ₹ 50.51 lakhs (previous year ₹ 46.36 lakhs).

Defined benefit plan:

The following table sets out the status of the gratuity plan (unfunded) as required under AS -15 (Revised):

Particulars	31/03/2023 ₹	31/03/2022 ₹
(i) Change in benefit obligation:		
Projected benefit obligation at the beginning of the year	124.78	117.45
Interest Cost	9.02	7.99
Current Service Cost	15.07	12.97
Past Service cost	-	-
Benefits paid	(12.55)	(10.60)
Actuarial (gain) / loss on obligations	19.96	(3.02)
Projected benefit obligation at the end of the year	156.28	124.78
(ii) Liability recognised in the Balance Sheet	156.28	124.78
(iii) Gratuity expense / (credit) for the year		
Current Service Cost	15.07	12.97
Interest Cost	9.02	7.99
Net actuarial (gain) / loss recognized	19.96	(3.02)
Net expense / (credit)	44.05	17.93
(iv) Actuarial assumptions		
Discount rate	7.50%	7.23%
Salary escalation	6.00%	6.00%
Attrition Rate		
	For service 4 years and below 20% p.a.	For service 4 years and below 20% p.a.
	For service 5 years and above 2% p.a.	For service 5 years and above 2% p.a.
Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2006-08 (Urban)

Notes :

- The estimates of rate of escalation in salary considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.
- The discounting rate is considered based on market yield on government bonds having currency and terms consistent with the currency and terms of the post-employment benefit obligations.
- The above information is certified by the actuary.



Notes forming part of the financial statements for the year ended 31st March, 2023

38 Related party disclosures:

(i) Names of related parties and nature of related party relationship where control exists are as under:

Mr. Aasif Khan - individual having substantial interest in the voting power and can also exercise significant influence over the Company and also is the Chairman of the Board of Directors.

(ii) Other related parties:

(a) Associate	TSA Process Equipment Pvt. Ltd.
(b) Companies / Firms in which directors/ KMP have significant influence	Fabtech Turnkey Projects LLP F Plus Healthcare Technologies LLP (Formerly Fabtech Value Edge LLP) Altair Partition Systems LLP Fablife Process Technologies LLP Fabsafe Technologies Pvt. Ltd. Fabtech Technologies Cleanrooms Pvt. Ltd. (Formerly Fabtech Turnkey Projects International Pvt. Ltd.) Advantek Air system Private Limited G7 Universal LLC SA Universal LLC Fabtech Technologies International Limited
(c) Directors and Key management personnel	Mr. Hemant Anavkar, Director Mrs. Naseem Khan, Director Mr. Amjad Arbani, Director Mr. Chirag Doshi, Independent Director
(d) Relatives of key management	Mrs. Manisha Anavkar, Wife of Mr. Hemant Anavkar Mr. Aman Anavkar, Son of Mr. Hemant Anavkar Mrs. Haifa Khan, Wife of Mr. Aasif Khan

(iii) Transactions with subsidiaries, joint venture entity and companies / firm in which directors have significant influence:

Nature of Transaction	Name of the Related Party	₹ in Lakhs	
		31/03/2023	31/03/2022
a) Purchases	Altair Partition Systems LLP	374.49	282.31
	Advantek Air Systems Pvt. Ltd.	193.87	320.06
	Fabtech Technologies Cleanrooms Pvt. Ltd.	571.82	1,492.52
	Fabsafe Technologies Pvt. Ltd.	487.79	469.34
	TSA Process Equipments Pvt. Ltd.	1,371.14	954.51
	Fablif Process Technologies LLP	697.74	859.91
	F Plus Healthcare Technologies LLP	-	2.62
b) Sales	Fabtech Technologies International Ltd.	2,270.17	19,270.06
c) Rent paid	Fabtech Turnkey Projects LLP	78.00	70.79
	Mrs. Naseem Khan	2.40	2.40
d) Remuneration (Salary, fees and Commission)	Mr. Aasif Khan (Salary)	9.12	12.12
	Mr. Hemant Anavkar (Director Remuneration)	55.65	55.62
	Mrs. Manisha Anavkar (Salary)	54.00	51.27
	Mrs. Haifa Khan (Professional Fees)	-	3.55
	Mr. Aman Anavkar (Salary)	2.08	4.61
	Mr. Aamer Asif Khan	9.00	9.00
e) Sales commission	G7 Universal LLC	215.35	-
	SA Universal LLC	16.88	-
e) Reimbursement of expenses (net)	Fabtech Technologies Cleanrooms Pvt. Ltd.	28.67	-
	Fabsafe Technologies Pvt. Ltd.	13.27	-
	Fablif Process Technologies LLP	28.67	-
f) Trademark Charges	Fabtech Technologies International Ltd.	19.03	-

(iv) Balances as on year end:

Nature of Transaction	Name of the Related Party	31/03/2023	31/03/2022
a) Trade receivables	Fabtech Turnkey Projects LLP	268.84	268.84
	Fabtech Technologies International Ltd.	1,523.89	3,387.84
b) Other receivables	Fablif Process Technologies LLP	33.83	-
c) Trade payables	Altair Partition Systems LLP	45.41	9.20
	Fabtech Turnkey Projects LLP	-	7.41
	Fabtech Turnkey Projects LLP (Rent payable)	7.02	2.45
	Advantek Air Systems Pvt. Ltd.	109.75	62.96
	Fabtech Technologies Cleanrooms Pvt. Ltd.	122.28	164.07
	Mrs. Naseem Khan (Rent payable)	0.40	0.40
d) Advances against supplies	Fablif Process Technologies LLP	775.17	224.04
	Fabsafe Technologies Pvt. Ltd.	157.03	513.08
e) Security deposit	Fabtech Turnkey Projects LLP	97.80	97.80
f) Loan and advances	Fabtech Technologies International Limited	573.94	23.57
g) Equity Investment	TSA Process Equipments Pvt. Ltd.	340.00	340.00
h) Compulsory convertible debentures (CCD)	Fabtech Technologies International Limited	1,012.50	1,012.50

Notes:

- (i) No amounts pertaining to related parties have been provided for as doubtful debts. Also, no amounts have been written off or written back during the year.
- (ii) Also refer note no. 8 for borrowings guaranteed by directors.
- (iii) Transactions with related parties are at arm's length and in the ordinary courses of business



Notes forming part of the financial statements for the period ended 31st March, 2023

39 Operating Lease
The Company has entered into operating lease arrangements for certain facilities and office premises. The leases are cancellable and are for a period of 1 to 5 years and may be renewed for a further period based on mutual agreement of the parties. Lease payments recognised in the Statement of Profit and Loss ₹ 161.56 lakhs (previous year: ₹ 139.64 lakhs).

40 Pursuant to section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility) Rules, 2014, Details with respect to corporate social responsibility CSR as under :

Sr. No.	Particulars	For the Year Ended 31-03-2023	For the Year Ended 31-03-2022
i)	Amount required to be spent by the company during the year	38.65	17.95
ii)	Amount of expenditure incurred	40.00	18.61
iii)	Shortfall at the end of the year	Nil	Nil
iv)	Total of previous years shortfall	Nil	Nil
v)	Reason for shortfall	Not Applicable	Not Applicable
vi)	Nature of CSR activities	Various welfare for needy and poor people, poor child education and medical cause	Various welfare for needy and poor people, poor child education and medical cause
vii)	Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	Not Applicable	Not Applicable
viii)	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.	Not Applicable	Not Applicable

*Excess CSR spend of FY20-21, FY21-22 and FY22-23 of Rs. 7.30 lakhs, Rs. 0.66 lakhs and Rs. 1.35 lakhs respectively have been carried forward to immediate three succeeding financial years pursuant to the companies (Corporate Social Responsibility Policy) Amendment Rules 2021 dated January 22, 2021.

- 41** No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988, hence relevant disclosures are not applicable.
- 42** The company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013, Hence no disclosure required.
- 43** The company has borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks or financial institutions are generally in agreement with the books of accounts except some minor differences which are not material to report.
- 44** There are no instances of any transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)
- 45** The Company is not declared as a wilful defaulter by any bank or financial Institution or other lender.
- 46** There are no charges or satisfaction of Charges pending to be registered with Registrar of Companies beyond the statutory period.
- 47** The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017
- 48** The company has not traded or invested in crypto currency or virtual currency during the financial year.
- 49** There is no scheme of arrangement approved by competent authority in terms of sections 230 to 237 of the Companies Act, 2013 during the year, hence relevant disclosures are not applicable.
- 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:
- 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 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:
- 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.
- 52** 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.
- 53** The company is under the process of reconciliation one of the foreign Vendors named FTS Lifecare Contracting LLC in consonance with provisions of the Foreign Exchange Management Act 1999.



Notes forming part of the financial statements for the period ended 31st March, 2023

₹ in Lakhs

54 Key financial ratios

Particulars	Numerator	Denominator	As at 31-03-2023	As at 31-03-2022	% variance	Reason for variance of above 25%
a) Current ratio (times)	Current assets	Current liabilities	1.52	1.51	1%	Not Applicable
b) Debt-equity ratio (times)	Total debt (current + non-current)	Shareholders equity	0.40	0.29	40%	Refer note (i)
c) Debt service coverage ratio (times)	Earning available for debt service	Debt service	0.60	1.26	-53%	Refer note (ii)
d) Return on equity ratio (%)	Profit after tax	Average shareholders equity	24.55%	40.70%	-40%	Refer note (iii)
e) Trade receivables turnover ratio (in days)	Revenue from operations (Other than export incentives)	Average trade receivables	183	95	93%	Refer note (iv)
f) Trade payables turnover ratio (in days)	Purchases + project erection and commissioning + freight and forwarding expenses	Average trade payables	149	81	83%	Refer note (v)
g) Inventory turnover ratio (in days)	Purchases of stock-in-trade + Changes in inventories of stock-in-trade	Average inventory	47	18	163%	Refer note (vi)
h) Net capital turnover ratio (in days)	Revenue from operations	Average working capital	119	72	65%	Refer note (vii)
i) Net profit ratio (%)	Net profit	Revenue from operations	9.66%	8.80%	10%	Refer note (viii)
j) Return on capital employed (%)	Earning before interest and taxes	Average capital employed	27.26%	47.14%	-42%	Refer note (ix)
k) Return on investment (%)	Interest income + net gain on sale of investments + net fair value gain	Weighted average of FD and Mutual Funds investments	6.92%	5.13%	35%	Not Applicable

Notes:

- i) The change in ratio is on account of increase in borrowings.
- ii) The debt service coverage ratio has reduced because of lesser profitability earned during the year with comparable higher debt service.
- iii) The company has made lesser revenue than the last financial year so this change is mainly on account of lower profit earned during the year.
- iv) Trade receivables turnover days have increased due to the retention money.
- v) Trade payables turnover days have increased on account of dealing with vendors with better credit terms.
- vi) The inventory turnover days have increased because of non-shipments of materials purchased in the last quarter of the year.
- vii) Net capital turnover days have primarily increased due to a decline in revenue from operations.
- viii) The company has made lesser revenue than the last financial year so this change is mainly on account of lower profit earned during the year.
- ix) ROCE has been reduced on account of lesser profitability achieved during the year with the additional increased capital employed.



55 Compulsory convertible debentures:

Fabtech Technologies International Limited has issued 10,12,500 (Ten Lakhs Twelve Thousand Five Hundred) Compulsorily Convertible Debentures (CCD) to Fabtech Technologies Private Limited, having face value of INR 100 each. The CCDs shall carry a coupon rate of 0% per annum. They can be converted at any time at the option of the Company or debenture holder, after expiry of 3 years from the date of allotment, by way of conversion into equity shares of the company, at a price to be determined in accordance with the Valuation Report of Registered Valuer at the time of conversion.

56 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with current year's classification / disclosure.

For and on behalf of the Board of Directors


Amjad Adam Arbani
Director
DIN 02718019
Place : Mumbai
Date: September 07, 2023



For and on behalf of the Board of Directors


Hemant Mohan Anavkar
Director
DIN 00150776
Place : Mumbai
Date: September 07, 2023



**Independent Auditor's Report
To The Members of Fabtech Technologies Private Limited
Report on the Audit of the Standalone Financial Statements**

Opinion

We have audited the accompanying standalone financial statements of Fabtech Technologies Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2023, and the Statement of Profit and Loss and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2006, as amended, ("Accounting Standards") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2023, its profit and its cash flows for the year ended on that date.

Basis for opinion

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

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

- The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Director's Report but does not include the consolidated financial statements, standalone financial statements, and our auditor's report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone



financial statements, or our knowledge obtained during our audit or otherwise appears to be materially misstated.

- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the Accounting Standards and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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





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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in:

- (i) planning the scope of our audit work and in evaluating the results of our work; and
- (ii) to evaluate the effect of any identified misstatements in the Standalone financial statements.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to





communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

- i) As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, being Private Limited Company Section 197(16) is not applicable.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
 - ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.





- iii) There have been no amounts required to be transferred, to the Investor Education and Protection Fund by the company.
- iv)(a) Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(is), 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) Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures adopted by us, nothing has come to our notice that has caused us to believe that the representations made by the Management under sub clause (a) and (b) above, contain any material misstatement.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure B', a statement on the matters specified in the Order, to the extent applicable.
3. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.



**For Ajmera & Ajmera
Chartered Accountants
F.R.No.018796C**

**Sourabh Ajmera
Partner
(Membership No. 166931)
UDIN: 23166931BGUWHK5133**

**Place: Mumbai
Date: 7th September, 2023**

**Annexure "A" to the Independent Auditor's Report
(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Fabtech Technologies Private Limited of even date)**

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

We have audited the internal financial controls over financial reporting of **Fabtech Technologies Private Limited** ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial

controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company

considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Ajmera & Ajmera
Chartered Accountants
F.R.No.018796C**

**Place: Mumbai
Date: 7th September, 2023**

**Sourabh Ajmera
Partner
(Membership No. 166931)**

UDIN:23166931BGUWHK5133

Annexure 'B' to the Independent Auditor's Report
(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **Fabtech Technologies Private Limited** of even date)

- i.(a) A. In respect of the Company's Plant Property and Equipment:
The Company has maintained proper records showing full particulars, including quantitative details and situation of Plant Property and Equipment.
- B. In respect of the Company's Intangible Assets:
The Company has maintained proper records showing full particulars of intangible assets.
- i(b) Property, Plant and Equipment have been physically verified by the management at reasonable intervals during the year and no material discrepancies were identified on such verification.
- i(c) According to the information and explanations given to us, there are no immovable properties in the name of the Company, and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.
- i(d) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment (including Right of Use assets) and its intangible assets. Accordingly, the requirements under paragraph 3(i)(d) of the Order are not applicable to the Company.
- i(e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made





Ajmera & Ajmera

Chartered Accountants

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thereunder. Accordingly, the provisions stated in paragraph 3(i) (e) of the Order are not applicable to the Company.

ii(a).As explained to us, the inventory has been physically verified during the year by the management. As per information provided to us, the frequency of verification, coverage and procedure of such verification is reasonable and appropriate. No material discrepancies were noticed on such verification.

ii(b) The Company has been sanctioned working capital limits in excess of Rs. 5 crores in aggregate from Banks/financial institutions on the basis of security of current assets. Quarterly returns / statements filed with such Banks/ financial institutions are in agreement with the books of account for the Month of March 2023 except as below:

Name of Bank	Aggregate Working Capital Limits	Nature of Current Asset and Security Offered	Amount as per Stock Statement Disclosed (Rs. In Lakhs)	Amount as per Books of Accounts (Rs in Lakhs)	Difference (Rs. In Lakhs)	Reasons for Difference
RBL Bank	Fund Based Facility Rs 2400 Lakhs and Non-Fund Based Facility of Rs. 2500 Lakhs	Debtors	10,410.95 lakhs	10,366.92 Lakhs	44.03 Lakhs	As informed by the management the reason for difference is on account of reinstatement of foreign receivables as on 31 st March 2023 in compliance with the accounting standards.
RBL Bank	Fund Based Facility Rs 2400 Lakhs and Non-Fund Based	Stock	1691.38 lakhs	1723.53 Lakhs	32.15 Lakhs	As informed by the management goods received note is accounted in the books

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	Facility of Rs. 2500 Lakhs					of accounts subsequent to the submission of the stock statement to the lender bank.
Axis Bank	Fund Based Facility Rs. 2000 Lakhs and Non Fund based Facility Rs. 2275 Lakhs	Debtors	10,410.95 lakhs	10,366.92 Lakhs	44.03 Lakhs	As informed by the management the reason for difference is on account of reinstatement of foreign receivables as on 31 st March 2023 in compliance with the accounting standards.
Axis Bank	Fund Based Facility Rs. 2000 Lakhs and Non-Fund based Facility Rs. 2275 Lakhs	Debtors	1691.38 lakhs	1723.53 lakhs	32.15 Lakhs	As informed by the management goods received note is accounted in the books of accounts subsequent to the submission of the stock statement to the lender bank.

(iii)(a) According to the information explanation provided to us, The Company has made the Investments as per Note No 13 of Notes to Financial Statements. The Company has given a guarantee on behalf of other entity. The company has given the loan during the financial year. The details of such guarantees to parties other than subsidiary, joint ventures and associates are as follows:

	Guarantees	Security	Loans	Advances
Aggregate amount				





granted/provided during the year				
- Others	Rs. 16 crore (2 Companies)	Nil	Rs 5.84 crore	Nil
- Others (Employees)	Nil	Nil	Rs 0.29 crore	Nil
Balance Outstanding as at balance sheet date in respect of above cases - Others	Since it is corporate Guarantee which is disclosed by way of contingent liability in note 31 in note to financial statements.	Nil	Balance Outstanding Rs. 5.84 Crore. Since it is the loan to the related party (Fabtech Technologies International Limited) which is disclosed by way of Note No 15 in note to financial statements.	Not Applicable

(iii)(b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the terms and conditions in relation to investments made, guarantees provided, securities given and / or grant of all loans and advances in the nature of loans and guarantees are not prejudicial to the interest of the Company.

(iii)(c) In case of the loans and advances in the nature of loan to related parties, schedule of repayment of principal and payment of interest have been stipulated within the period of three years from year of loan given an interest is provided on yearly basis and the borrowers have been regular in the payment of the principal and interest. In respect of the loan to employees, schedule of repayment of principal and interest have been stipulated and the borrowers have been regular in the payment of the principal and interest.

(iii)(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the details of amount overdue for more than ninety days are as follows:

No. of Cases	Principal amount overdue	Interest overdue	Total overdue	Remarks (specify whether reasonable steps have been taken by the Company for recovery of principal amount and interest)
1.	5.74 crores	0.10 crore	5.84 crores	As per the Board resolution





				passed by the company the repayment of the principal amount is stipulated within three years from year of loan given and interest will be charged not less than government security rates as prescribed under the Companies Act, 2013 and payment of interest is calculated and payable on yearly basis.
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- (iii)(e) According to the information explanation provided to us, the loan or advance in the nature of loan granted has not fallen due during the year. Hence, the requirements under paragraph 3(iii) (e) of the Order are not applicable to the Company.
- (iii)(f) According to the information explanation provided to us, the Company has granted loans/advances in the nature of loans to related parties which is repayable in three years.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not either directly or indirectly, granted any loan to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of section 185 of the Act and the Company has not made investments through more than two layers of investment companies in accordance with the provisions of section 186 of the Act. Accordingly, provisions stated in paragraph 3(iv) of the Order are not applicable to the Company.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under. Accordingly, provisions stated in paragraph 3(v) of the Order are not applicable to the Company.
- (vi) According to the information and explanations given to us company is primarily in turnkey projects export business and hence the company are not required to be maintained the cost records as per Companies (Cost Records and audit) Rules 2014, as amended prescribed by central government sub section (1) of section 148 of the Companies Act, 2013. Further, cost audit is not applicable to the company.
- (vii) According to the information and explanations given to us:
- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax,





Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.

- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.
- (c) There were no dues of Income Tax, Sales Tax, Service Tax, Excise Duty and Value Added Tax which have not been deposited as at March 31, 2023 on account of dispute.
- (viii) According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Tax Assessment of the Company. Also, there are no previously unrecorded income which has been now recorded in the books of account. Hence, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company.
- (ix)(a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.
- (ix)(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (ix)(c) In our opinion and according to the information explanation provided to us, money raised by way of term loans during the year have been applied for the purpose for which they were raised.
- (ix)(d) In our opinion, according to the information explanation provided to us, there are no funds raised on short term basis. Accordingly, the provision stated in paragraph 3(ix)(d) of the Order is not applicable to the Company.
- (ix)(e) According to the information explanation given to us and on an overall examination of the standalone financial statements of the Company, we report that the company has not taken any funds from an any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (ix)(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its securities, joint ventures or associate companies.
- (x)(a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the





provisions stated in paragraph 3 (x)(a) of the Order are not applicable to the Company.

(x)(b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully, partly or optionally convertible debentures during the year. Accordingly, the provisions stated in paragraph 3 (x)(b) of the Order are not applicable to the Company.

(xi)(a) During the course of our audit, examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company nor on the Company.

(xi)(b) We have not come across of any instance of fraud by the Company or on the Company during the course of audit of the standalone financial statement for the year ended March 31, 2023, accordingly the provisions stated in paragraph (xi)(b) of the Order is not applicable to the Company and according to the information and explanations given to us, 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.

(xi)(c) As represented to us by the management, there are no whistle-blower complaints received by the Company during the year. Accordingly, the provisions stated in paragraph (xi)(c) of the Order is not applicable to company.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) (a) to (c) of the Order are not applicable to the Company.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) The company has an effective internal audit system which is in house, and functions on a continual basis. The 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) According to the information and explanations given to us, in our opinion during the year the Company has not entered into non-cash transactions with directors or persons connected with its directors and hence, provisions of section 192 of the Act are not applicable to company. Accordingly, the provisions stated in paragraph 3(xv) of the Order are not applicable to the Company.
- (xvi) In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph clause 3 (xvi)(a) to (d) of the Order are not applicable to the Company.
- (xvii) Based on the overall review of standalone financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Hence, the provisions stated in paragraph clause 3 (xvii) of the Order are not applicable to the Company.
- (xviii) There has been no resignation of the statutory auditors during the year. Hence, the provisions stated in paragraph clause 3 (xviii) of the Order are not applicable to the Company.
- (xix) According to the information and explanations given to us and based on our examination of financial ratios (Also refer note no 53 to the Financial Statements), ageing and expected date of realisation of financial assets and payment of liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of audit report and the Company is 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.
- (xx) According to the information and explanations given to us, the provisions of section 135 of the Act are applicable to the Company. The Company has made the required contributions during the year and there are no unspent amounts which are required to be transferred either to a Fund or to a Special Account as per the provisions of section 135 of the act read with schedule VII Accordingly, reporting under clause 3(xx)(a) and clause 3(xx)(b) of the Order is not applicable to the Company. Kindly refer note no 40 to financial statements.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in the report.





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For Ajmera & Ajmera

**Chartered Accountants
F.R.No.018796C**



**Sourabh Ajmera
Partner
(Membership No. 166931)**

Place: Mumbai

Date: ___ September, 2023

UDIN:23166931BGUWHK5133